

1 UNITED STATES DISTRICT COURT
2 EASTERN DISTRICT OF NEW YORK

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3 UNITED STATES OF AMERICA,

09-CR-00466 (BMC)

United States Courthouse
Brooklyn, New York

4
5 -against-

December 12, 2018
9:30 a.m.

6 JOAQUIN ARCHIVALDO GUZMAN
7 LOERA,

Defendant.

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10 TRANSCRIPT OF CRIMINAL CAUSE FOR TRIAL
11 BEFORE THE HONORABLE BRIAN M. COGAN
12 UNITED STATES DISTRICT JUDGE
BEFORE A JURY

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19 Proceedings recorded by mechanical stenography. Transcript
produced by computer-aided transcription.
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CIFUENTES VILLA - DIRECT - MR. FELS

1 (In open court.)

2 THE COURTROOM DEPUTY: All Rise.

3 THE COURT: Good morning. Let's have the jury.

4 (Jury enters.)

5 THE COURT: Be seated, please. Good morning, ladies
6 and gentlemen.

7 We will continue direct examination.

8 MR. FELS: Thank you, your Honor.

9 DIRECT EXAMINATION

10 BY MR. FELS::

11 Q Mr. Cifuentes, when we left off yesterday you were
12 talking about meeting Joaquin Guzman, the defendant, for the
13 first time. Do you remember that?

14 A That's correct, yes, sir.

15 Q What year was this?

16 A In 2003.

17 Q Do you remember exactly what date you traveled to Mexico
18 to meet done Joaquin Guzman?

19 A No, sir.

20 Q Is there a document that could refresh your recollection
21 as to the exact dates that you traveled to Mexico?

22 A Well, my country's immigration record.

23 Q When you say my country's immigration record, what
24 country is that?

25 A Colombia.

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1 MR. FELS: Your Honor, if I might refresh his
2 recollection just for him?

3 THE COURT: Okay.

4 MR. FELS: Government's Exhibit 801.

5 Q Sir, does this refresh your recollection as to the dates
6 that you traveled from Colombia to Mexico?

7 A Yes, sir.

8 Q So could you describe to the jury the dates of your
9 travel and where you traveled?

10 A Well, on February 2003 I traveled from Colombia via
11 Panama to Mexico.

12 Q When did you return?

13 A Around June 4, it was June or May and I went back from
14 Mexico City.

15 Q All right, sir. And let's get back to you landed on that
16 air strip, who greeted you at the air strip?

17 A Don Joaquin Guzman.

18 Q Do you remember, was he armed?

19 A Yes, sir.

20 Q What he armed with?

21 A He had a .38 Super on his waistband on his back. And he
22 had a small AK-47 on the left-hand side, hanging from his
23 side.

24 Q The .38 Super, could you describe it for us?

25 A .38 with diamond encrusted handle and gold as well.

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1 Q Showing you what is already admitted into evidence as
2 Government's Exhibit 811-1. Do you recognize this, sir?

3 A Yes, sir. That is the weapon that Don Joaquin Guzman
4 carried on the day that I met him.

5 Q Just to be clear, it's a photo, correct?

6 A Yes, sir.

7 Q A photo of the weapon.

8 A That's a picture.

9 Q When you met the defendant, Joaquin Guzman, did you
10 provide him with your name or did he already have it?

11 A He already knew my name. He greeted me by calling me
12 Jorge.

13 Q Did he always refer to you by that name from that time
14 forward?

15 A No, sir.

16 Q What name did he call you?

17 A We agreed that he would continue to call me Simon. So he
18 would -- so I would protect my identity.

19 Q What do you mean protect your identity?

20 A So that my name would not be leaked through a phone or
21 something just because I was doing illegal activities.

22 Q How did you come up with the name Simon?

23 A Well, it was because of a TV series with Roger Moore it
24 was called The Saint

25 Q What was the significance of that character in the TV

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1 series?

2 A He was the saint, the good one.

3 Q What would you call Joaquin Guzman to his face?

4 A Don Joaquin.

5 Q Was there other nicknames that were used for done
6 Joaquin?

7 A Yes, we would call him El Padrino, The Godfather, El
8 Senor, or El Chapo.

9 Q How did you know to call him El Chapo?

10 A Well, Laura would refer to him as Chapo when she told me
11 that she was going to introduce us. Same thing as Damaso,
12 everyone referred to him as Chapo.

13 Q You said Padrino or Godfather, what is the significance
14 of that nickname?

15 A He was the godfather at my brother Alexander Cifuentes'
16 wedding.

17 Q Just to be clear, this came later, right?

18 A Yes, of course, of course.

19 Q You also mentioned El Senor, what is the significance of
20 that name?

21 A The Boss.

22 Q Taking you back to that first time that you met with
23 Mr. Guzman the early part of 2003, where did you go after
24 Mr. Guzman met you on the landing strip?

25 A We go to the top of the mountain where he has camp, he

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1 has a cabin there.

2 Q On the way to that cabin, did you see something on the
3 side of the road?

4 A Yes, sir, there were marijuana plantations and also poppy
5 crops, and I could tell because of the red flowers.

6 Q When you got to the cabin, did you have some sort of a
7 private interaction with Don Joaquin Guzman.

8 A Yes, sir. We actually stepped aside. There were a lot
9 of people there because it was a celebration, so we stepped
10 aside close to the trough, the place the where the cattle has
11 some water.

12 Q Now you're saying you called him Don Joaquin, what is the
13 significance of the name Don before the name?

14 A Out of respect.

15 Q What does it mean, what is the translation of Don?

16 A I do not understand the question.

17 Q Maybe the interpreter can give the translation?

18 THE INTERPRETER: By the interpreter, it would be
19 Mister

20 Q So you have this private meeting with Joaquin Guzman,
21 what do you he and he talk about?

22 A I actually, we talked, I told him that I was going to
23 gift him a helicopter so he could go around in a secure manner
24 with his family and around that area.

25 I told him that I was interested in the tuna fishing

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1 boat so I could traffic in drugs, those were the ones that
2 Laura had given to him. And in addition, I told him that I
3 needed to find out who had killed my partner, Humberto Ojeda.

4 Q What was the conversation that you had with him with
5 wanting to find out who Humberto Ojeda's killer was?

6 A Well, initially he had told me that it had been Amado
7 Carrillo. But I told him that was impossible because Amado
8 had died by the time that Humberto Ojeda had been killed. So
9 he told me, okay, let me see let me see what I can find out
10 for you.

11 Q Again, why were you concerned to talk to Joaquin Guzman
12 about who had killed your former partner?

13 A Well, in order for me to be in Mexico I needed to know
14 who had done it and to make sure that my life was not in
15 danger as well.

16 Q Now you talked, I think you next talk about the
17 tuna boats, you asked him about the availability of the
18 tuna boats, remind the jury what the tuna boats were for?

19 A Well, these boats actually have the capability of staying
20 out in the ocean for two months. They can be in the Pacific
21 Ocean. They can go all the way down to Ecuador or Colombia,
22 so they can pick up the cocaine and take it to Mexico.

23 Q And what was his response when you asked him about the
24 availability of these tuna fishing boats?

25 A He told me that they were not available, that he had

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1 committed them to other people. But that he had some carbon
2 fiber planes that he had available and that we could use.

3 Q The third topic you mentioned was the helicopter. What
4 was his reaction when you said you would get him a helicopter?

5 A Oh, he got very excited. His little eyes were actually
6 shining. He said thank you.

7 Q Did you actually get him a helicopter?

8 A Yes, sir.

9 Q What kind of helicopter did you get Joaquin Guzman?

10 A It was an MD 520 Loader.

11 Q Do you remember what color you got him?

12 A Yes, sir, blue.

13 Q Was there anything significant about the design of this
14 helicopter that you believed would be suitable for Joaquin
15 Guzman's purposes?

16 A Well, you know, it was very versatile. It had five
17 blades. It could do a full loop. It was very quiet. It was
18 small. It was great for those small areas in the mountains.

19 Q Sir, showing you, just for the witness, what is marked
20 for identification purposes as Government's Exhibit 614. Sir,
21 do you recognize what is depicted in Government's Exhibit 614?

22 A It's actually 814.

23 Q Thank you for noticing. 814, I apologize.

24 A Yes, sir, it's the same type of helicopter, same color,
25 it didn't have those stripes.

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1 Q To be clear, this is not the helicopter that you
2 purchased for Chapo Guzman?

3 A No, but it's identical.

4 MR. FELS: Your Honor, move to admit Government's
5 Exhibit 814.

6 MR. LICHTMAN: No objection.

7 THE COURT: Received.

8 (Government Exhibit 814, was received in evidence.)

9 MR. FELS: And publish for the jury.

10 BY MR. FELS::

11 Q Mr. Cifuentes, you said that the helicopter that you
12 purchased was identical in form except it didn't have these
13 lines here; is that correct?

14 A Yes, sir, that's correct.

15 Q How much was this helicopter worth?

16 A A million dollars.

17 Q Why did you decide to give it to a man you just met?

18 A Well, I wanted to look good with him. And I needed him
19 to help me identify who had killed my partner. And besides I
20 want to do business with him.

21 Q Now, what was Chapo Guzman's reaction when you delivered
22 this helicopter to him?

23 A Man, he was very happy. He told me thank you very much.
24 He was just really excited.

25 Q I want to focus your attention here, you can see on the

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1 screen to this back area, what is this we're looking at here?

2 A Well, the helicopter has a tail rotor. It's actually
3 working with a wind turbine so it's great because it doesn't
4 represent any danger for people who might come closer to the
5 helicopter.

6 Q Do you know what happened to the helicopter that you
7 purchased for Joaquin Guzman.

8 A Well, after sometime of him using it with his family and
9 the people that would visit him, the pilot actually crashed it
10 inside the hanger at El Roble ranch.

11 Q Let's take this helicopter away.

12 Getting back to that first meeting up in the
13 mountains in early 2003, did you have any conversations with
14 Don Joaquin with other people present?

15 A Yes, sir. His children were there, Ivan Archivaldo,
16 Damaso Lopez was there.

17 Q You said his child, Ivan Archivaldo, have you met him on
18 more than one occasion?

19 A Yes, sir.

20 Q You mentioned Damaso Lopez?

21 A Yes, sir.

22 Q Showing you what is marked for identification purposes,
23 just for the witness as Government's Exhibit 59A as in Alpha.
24 Sir, do you recognize the individual depicted in Government's
25 Exhibit 59A?

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1 A Yes, sir, that's Ivan Archivaldo.

2 Q Again he's the son of whom?

3 A Don Joaquin's son.

4 MR. FELS: Your Honor, if we can move to admit and
5 publish?

6 MR. LICHTMAN: No objection.

7 THE COURT: Received.

8 (Government Exhibit 59A, was received in evidence.)

9 BY MR. FELS::

10 Q Again, just so the jury sees it, this is Ivan Archivaldo;
11 is that correct?

12 A Yes, sir, that's Ivan Archivaldo.

13 Q You said you were having a meeting with Don Joaquin
14 Guzman, Damaso Lopez and Ivan Archivaldo, what did you talk
15 about the four of you?

16 A So because the tuna boats were not available he said he
17 had five Lanquer airplanes made out of carbon fiber and they
18 were not detectable by radar. They were good for cocaine
19 trafficking.

20 Q If you don't mind, break it up piece by piece so the
21 interpreter can translate it piece by piece.

22 A Oh, sorry.

23 Q No problem. You said these planes were carbon fiber?

24 A Yes, sir.

25 Q Who owned these planes?

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1 A Don Joaquin Guzman Loera.

2 Q What is the significance of the fact that they were made
3 out of carbon fiber?

4 A That the control tower is unable to detect them.

5 Q What is that Don Joaquin Guzman proposed to do with these
6 carbon fiber planes that could not be detected?

7 A That we should send it to Colombia to pick up cocaine and
8 have it go back to Mexico.

9 Q Do you remember the amounts of cocaine that he
10 proposed -- let me strike that.

11 Do you remember the amounts of cocaine that Don
12 Joaquin Guzman proposed to send from Colombia?

13 A These are small airplanes that can hold a maximum of 400
14 kilos.

15 Q When Joaquin Guzman proposes this to you, what is your
16 reaction?

17 A I agreed with it. I said, let's do it.

18 Q Was there anything else significant about this first
19 meeting with Chapo Guzman?

20 A There was a party going on. There was Mezcal. I don't
21 know what else you're referring to.

22 Q Did Damaso Lopez introduce you to someone else in that
23 same time frame? Did Damaso Lopez arrange a meeting between
24 you and some other individual?

25 A Yes, sir. That wasn't at the party, that was in

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1 Culiacan.

2 Q Sure. Who did he Damaso introduce you to?

3 A He got me a meeting with Mayo Zambada, with Ismael
4 Zambada.

5 Q Were you concerned about meeting with Mayo Zambada?

6 A A lot.

7 Q Why?

8 A Because I suspected he had murdered my partner.

9 Q Did you meet with Mayo Zambada during this time frame in
10 early 2003?

11 A Yes, sir.

12 Q What did he tell you?

13 A We met in Mexico City. And he said, well, my compadre
14 Chapo wants me to tell you the truth, I killed Robachivas.
15 And he said, what do you want to do? And I said nothing,
16 simply, you killed a good man. He said, well, if he were born
17 again I'd kill him again. But he said I don't have a problem
18 with you. You're part of us. You're part of the family.
19 I've known you since you're very young going around my kid,
20 you don't have to worry. There is no problem with you.

21 Q Did Mayo Zambada tell you why he had killed Robachivas?

22 A Yes, sir.

23 Q What did he say?

24 A He said his compadre Amado wanted it. It he needed that.
25 He never showed up. And after Amado died, he was in Culiacan

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1 building himself a mansion and that bothered him, and that's
2 why he killed him.

3 Q When you say, who was building the mansion?

4 A Humberto Ojeda, Robachivas.

5 Q Who was bothered by the fact that Humberto Ojeda was
6 building a mansion?

7 A Ismael Zambada, Mayo Zambada.

8 Q Did Mayo Zambada offer some type of work with you at this
9 meeting or another meeting?

10 A Yes, in the following meeting after my fright had passed.
11 In the next meeting he said let's work.

12 Q What kind of work?

13 A Trafficking cocaine of course.

14 Q What was your response?

15 A I said, well, unfortunately I got to him through don
16 Joaquin on this occasion, so I couldn't work with him without
17 going through Don Joaquin.

18 Q What was Mayo's response?

19 A He said, don't worry, we're the same thing.

20 Q What did you understand that to mean?

21 A They were partners.

22 Q At some later point did you ever see Chapo Guzman and
23 Mayo Zambada at drug meetings together?

24 A Yes, sir, on several occasions.

25 Q What would they call each other?

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1 A Compadre.

2 Q How did you observe Mayo Zambada treating Joaquin Guzman
3 at these meetings?

4 A With very much respect.

5 Q What was your reaction to that?

6 A So it surprised me because Mayo is an older man than Don
7 Joaquin. He also had more experience in drug trafficking. He
8 was very respectful.

9 Q When you say he, who are you talking about?

10 A Mayo Zambada respected Don Joaquin very much.

11 Q You said that Mayo Zambada was older than Chapo Guzman,
12 correct?

13 A Yes, that's correct.

14 Q So did that fact cause you to have an assumption as to
15 who was in charge of, which person was in charge of the other?

16 MR. LICHTMAN: Objection.

17 THE COURT: Sustained.

18 Q Let's move to the planes. You testified that at that
19 first meeting with Don Joaquin Guzman up in the mountains that
20 you and Damaso and Ivan Archivaldo all talked about and agreed
21 to ship cocaine on these Lanquer planes, these carbon fiber
22 planes, correct?

23 A That's correct.

24 Q Did you ever personally observe any of these planes?

25 A Yes, sir.

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1 Q Where was that?

2 A In Atizapan at an airport at the outskirts of Mexico
3 City.

4 Q Was any cocaine ever sent using Don Joaquin's Lanquer
5 carbon fiber planes?

6 A Yes, sir.

7 Q Let's talk about that first load. Where did that first
8 load -- first of all, where was the cocaine purchased?

9 A In Colombia.

10 Q Approximately when was this?

11 A Same year, 2003.

12 Q And how was the money for the cocaine obtained?

13 A I had money.

14 Q So it was your money personally?

15 A Yes, while -- well, yes.

16 Q What do you mean by "well, yes"?

17 A Until Don Joaquin could get money close to Mexico City
18 and give it to me.

19 Q The cocaine is purchased, do you know where the plane
20 with the cocaine left from?

21 A Yes, from my brother Pachito's ranch in El Choco.

22 Q Is there an area, you said El Choco, is there a specific
23 landing strip where the plane took off from?

24 A So, yes. It's a landing strip in on the Pacific side,
25 it's in the Department of Curado. The landing strip is called

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1 Curiche. It's in my brother, Francisco Ivan Cifuentes'
2 landing strip ranch.

3 MR. FELS: Your Honor, if we can show the witness
4 Government's Exhibit 813 for identification.

5 Q Sir, do you recognize what is depicted as Government's
6 Exhibit 813?

7 A I see 813. I see the department, but the writing is too
8 small. Can you make it bigger?

9 Q Certainly.

10 A And lower it. Perfect. Now I can see it.

11 Q And do you recognize some of the locations you just
12 testified about?

13 A Yes, sir.

14 MR. FELS: We move to introduce Government's Exhibit
15 813.

16 THE COURT: Received without objection.

17 (Government Exhibit 813, was received in evidence.)

18 Q Sir, with your finger on the screen there, could you
19 circle that Curiche landing strip.

20 A Yes, sir, of course.

21 Q And was this first load of cocaine successfully shipped
22 to Mexico?

23 A Yes, sir, it made to Atizapan in Mexico.

24 Q Is that what is the significance of Atizapan?

25 A Well, Atizapan is a city, the landing strip where the

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1 pick up would occur was there on the Pacific side of Mexico.

2 Q How close is that to Zihuatanejo?

3 A They are right next to each other. Atizapan and
4 Zihuatanejo are right next to each other.

5 Q How do you know that the load was successfully shipped?

6 A Well, I got the pilots. I was in contact with Alfonso
7 Diaz, who was in contact with the pilots. He had gotten the
8 pilots and Damaso Lopez. And they confirmed that it had
9 arrived successfully. Plus, the shipment was being sent by my
10 brother Pachito.

11 Q How much cocaine was in the shipment?

12 A 350 kilos.

13 Q Who else did you discuss the successful shipment of
14 350 kilograms of cocaine with?

15 A With Don Joaquin.

16 Q Tell us about the conversation you had with him about
17 this successful shipment?

18 A Well, he was very happy. He said we should move forward.
19 And he was going to send me \$700,000 for the next shipment
20 through Damaso.

21 Q Did you have any concerns that you expressed to him about
22 the continued use of these planes?

23 MR. LICHTMAN: Objection.

24 THE COURT: Overruled.

25 A Yes. One of them had already broken down there in

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1 Zihuatanejo. One of the turbines, those planes were more like
2 rockets. They required pilots that had a lot of experience.
3 They were very dangerous to fly --

4 MR. LICHTMAN: Objection.

5 A -- these were experimental airplanes.

6 THE COURT: Overruled.

7 Q If can you break it down a little bit for the
8 interpreter.

9 What did Don Joaquin respond when you raised these
10 concerns about the safety of these planes?

11 A So more than the safety of the airplanes, I was more
12 concerned about the safety of the pilots. It was very
13 dangerous. But he said, no, let's keep working with them
14 because these planes cannot be detected by radar.

15 Q Did you suggest another way to move the cocaine?

16 A Well, I took advantage of this and started pressing on
17 the tuna boats issue. And he said they were not available.

18 Q Did he say who he committed those tuna boats to?

19 A Yes, sir.

20 Q To whom?

21 A With Mayo Zambada.

22 Q Were there other cocaine loads that you and Don Joaquin
23 Guzman arranged to send using these Lanquer carbon fiber
24 planes?

25 A Yes, sir.

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1 Q You mentioned that Don Joaquin said that he already had
2 \$700,000 for the next shipment; is that correct?

3 A Yes, Damaso delivered them to me in Mexico City.

4 Q What did you do with that money?

5 A I sent it to Colombia to my brother, Pachito, via one of
6 the Lanquer airplanes.

7 Q Was more cocaine purchased?

8 A Yes, sir. There were 400 kilos that were purchased.

9 Q Was there another attempt to send -- what happened with
10 that cocaine?

11 A Well, the pilot, Loco Salvaje -- actually, we purchased
12 the cocaine. It was shipped off. But the plane crashed up in
13 the mountains. It never made it to Mexico.

14 Q And after that crash, who did you have to go talk to?

15 A Well, I spoke to Mayo Zambada. I spoke to Don Joaquin.
16 I asked them if it had arrived because they were on top of
17 everything regarding the equipment.

18 Q What did they tell you?

19 A Well, that they thought that I hadn't sent it.

20 Q Then what did you do to confirm that you had sent it?

21 A Well, you know, I did insist that I had sent it and we
22 were waiting to get news from the pilot or from the actual
23 plane.

24 Q At some point did some information come to verify that
25 the plane had in fact crashed?

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1 A Yes, sir. It was actually up in the news and they had
2 located it.

3 Q Once you had the news report of the crash, did you go
4 talk to Don Joaquin Guzman about this?

5 A Yes, sir.

6 Q Again, what is the name of the pilot?

7 A Loco Salvaje.

8 Q What did Don Joaquin say when you presented the news
9 report of the crash of the plane?

10 A Well, at the same time -- well, he said -- at the same
11 time I did suggest why not work with real planes, like the
12 King 200 or the Turbo Commanders.

13 Q What was his response?

14 A He agreed. But for this I wanted him to deal directly
15 with my brother Pacho.

16 Q Why is that?

17 A Because I felt like it was kind of weird. My brother,
18 Pacho, was the one in charge of the air strips. And the
19 person in charge of receiving the cocaine was either Mayo or
20 Don Joaquin. So I was actually more useful in the handling of
21 the money and other things within the organization.

22 Q So are you aware that after that point that your brother,
23 Pacho Cifuentes, continued sending drug shipments?

24 A Yes, sir.

25 Q Who did he send them to?

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1 A To Don Joaquin, amongst other people, because he had
2 other customers.

3 Q Did you continue to have some sort of role in supporting
4 your brother Pacho's cocaine shipments to Don Joaquin?

5 A Yes, sir.

6 Q What role was that?

7 A Well, I received the money in Mexico; that is, the cash.
8 I would transfer it to the currency exchange places in the
9 United States or to the airline company so we could purchase
10 planes.

11 Q Did you also transfer -- where did you transfer that
12 money to within Mexico?

13 A I would deliver it to the currency exchange places, I
14 would pay a commission. And they would transfer it to a bank
15 account belonging to one of the airplane companies in the
16 United States. Then they would just send it to the Colombia
17 for us.

18 Q Who was sending you the money to buy these planes?

19 A Don Joaquin.

20 Q For what purpose was he buying these planes?

21 MR. LICHTMAN: Objection.

22 THE COURT: Sustained.

23 Q Sir, did you have conversations about the reason that
24 these planes were being purchased?

25 A Yes, sir.

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1 Q With whom?

2 A With my brother Pacho, with Don Joaquin, in order for us
3 to transport cocaine.

4 Q In these conversations did you learn why these planes
5 were being purchased in the United States?

6 A Well, they were renovating civil aviation here in the
7 United States, so we're talking about old planes that were
8 still capable for the transport of cocaine. And once they
9 would transport the cocaine, we would just get rid of them.

10 Q Do you know the source of the money that was being used
11 to purchase these planes in the United States?

12 A Yes, from the sale of the cocaine.

13 Q Did you personally make any money on sending this drug
14 money to the Casa de Cambio for Joaquin Guzman?

15 A Yes, I kept a profit. It was a difference, it was
16 10 percent.

17 Q And so you profited from this activity, correct?

18 A Yes, sir.

19 Q Were you charged with any crimes in connection with
20 purchases these planes for Don Joaquin in the United States?

21 A Yes, sir, in Florida.

22 Q What did you do about these charges?

23 A I pled guilty.

24 Q Are you aware of all of the cocaine, all the cocaine
25 transactions, between your brother Pacho Cifuentes and Don

CIFUENTES VILLA - DIRECT - MR. FELS

1 Joaquin Guzman during this period?

2 A No, sir, not of all of them.

3 (Continued on next page.)

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CIFUENTES VILLA - DIRECT - MR. FELS

1 DIRECT EXAMINATION

2 BY MR. FELS::

3 Q Are you aware -- let's focus on one particular time
4 frame. In the beginning part of 2004, were you aware of a
5 cocaine transaction between your brother Pacho Cifuentes and
6 Don Joaquin Guzman?

7 A Well, yes, sir.

8 Q Let me ask you, how did you become aware of this load?

9 A I found out through my brother Pachito and later on
10 directly from Don Joaquin personally.

11 Q Tell the jury what happened to this load.

12 A Well, this was approximately 2,000 kilos of cocaine that
13 were transported on a King 200, they left from Colombia all
14 the way to Guatemala to El Peten.

15 Q What happened to the plane?

16 A It was seized by the Guatemalan authorities.

17 Q You said you heard about the seizure from whom?

18 A From my brother, Pacho.

19 Q You later learned about it from who else?

20 A With Don Joaquin.

21 Q Now, what was your specific role in this cocaine load in
22 the beginning part of 2004?

23 A Well, I was in charge of moving the money in order to
24 purchase the plane.

25 Q And for this particular plane, how did you get the money

CIFUENTES VILLA - DIRECT - MR. FELS

1 to buy the plane?

2 A Well, Damaso would give me the money in Mexico City.

3 Q On behalf of whom?

4 A Don Joaquin of course.

5 Q Did you ever personally see this plane, the King Air 200
6 with the 2,000 kilograms of cocaine?

7 A I did see the plane at my brother Pachito's hangar, but
8 when I saw it it did not have the cocaine inside.

9 Q And where did you see the plane?

10 A I saw it at La Herrera Airport --

11 THE INTERPRETER: Interpreter correction. At the
12 Olaya Herrera Airport in Medellin and it was hangar number 32.

13 Q And did your brother, Pacho Cifuentes, when he showed you
14 this plane, did he explain something to you about this plane?

15 A Yes, in fact, it was a really nice plane and he told me,
16 well, this plane is actually going on to Don Joaquin's.

17 Q Now aside from this King Air 200 that got seized in
18 Guatemala in the beginning of 2004, were there other seizures
19 of cocaine loads that your brother Pacho sent to Don Joaquin?

20 A Well, there were more, but the ones that I know about
21 were the ones that were lost, because they would let me know
22 right away to see what we could do about it.

23 Q But were there successful loads as well?

24 A Yes, of course.

25 Q I want to skip ahead to April of 2007. What significant

CIFUENTES VILLA - DIRECT - MR. FELS

1 happened in April 2007?

2 A My brother, Francisco Ivan Cifuentes, was murdered.

3 Q Did you ever learn who killed him?

4 A Not until today, sir.

5 Q And -- meaning you've not learned?

6 A No, sir.

7 Q And where were you living at the time of your brother
8 Francisco or Pacho Cifuentes' murder?

9 A In Colombia, Medellin.

10 Q You said you don't know who killed your brother, did you
11 have some suspicions as to who killed your brother?

12 A Yes, I suspected many people.

13 Q And did someone from Colombia, at some point right after
14 the killing of your brother, approach you with some sort of a
15 proposal?

16 A Well, yes, they told me there is a man, I don't know if I
17 can mention his name or the nickname.

18 Q That's fine.

19 A Yes, that was Camilo Valezuela, alias Chocolate, who had
20 been responsible for my brother's death. And they told me
21 that they had located him in Venezuela and for me to give them
22 \$500,000 and that they would kill him.

23 Q What was your response to this proposal?

24 A I saw this as a trap and I did not accept.

25 Q When you say a trap, what do you mean by that?

CIFUENTES VILLA - DIRECT - MR. FELS

1 A I thought that they were -- or actually I think that they
2 were trying to cover up the real responsible, that the
3 murderer of my brother.

4 Q Do you know, sir, if this Chocolate is still alive today?

5 A Yes, sir.

6 Q Is he still alive?

7 A He is alive and he did a sentence here in the United
8 States and he's free now.

9 Q Now, after your brother's murder in April of 2007, where
10 did you go?

11 A I went to Mexico.

12 Q Why?

13 A Because I was afraid in Colombia.

14 Q What do you mean you were afraid in Colombia, what were
15 you afraid of?

16 A I feared for my life. I did not know who had killed my
17 brother, Francisco. I had asked three different cartels I was
18 in contact with and I still don't know.

19 MR. FELS: Your Honor, I think the microphone may
20 not be working, maybe it just needs to be a little closer.

21 THE COURTROOM DEPUTY: If you could just move it a
22 little closer to you.

23 BY MR. FELS::

24 Q So where did you go first when you went back to Mexico?

25 A Well, first of all, I go to Bogota to renew my Mexican

CIFUENTES VILLA - DIRECT - MR. FELS

1 passport so that I can go back to Mexico City. I then go to
2 Mexico City.

3 Q You said you had a Mexican passport, was that a
4 legitimate passport?

5 A Yes, I have dual nationality. I'm Colombian and Mexican.

6 Q Did you go immediately after your brother's murder in
7 April of 2007 or a short time after?

8 A A short time after. It took me about a couple of months
9 to get all the documentation and paperwork organized.

10 Q Sir, do you remember exactly the dates that you went to
11 Mexico in 2007?

12 A No, sir, not the exact dates.

13 Q Again, is there a document that would help refresh your
14 recollection?

15 A Colombia's immigration records.

16 Q Again, for the witness only showing what's Government's
17 Exhibit 801.

18 Does this help refresh your recollection as to the
19 dates that you left Colombia and went to Mexico?

20 A Yes, sir, that's correct.

21 Q And what dates did you go from Colombia to Mexico?

22 A It was May that I went to Mexico via Panama, May 3rd.

23 Q When you say you went through Panama, so what happens
24 when you get to Panama? How do you get from Panama to Mexico?

25 A Well, I traveled to Panama and from Panama I connected on

CIFUENTES VILLA - DIRECT - MR. FELS

1 to another flight to Mexico.

2 THE INTERPRETER: The Interpreter, sorry, I did not
3 hear what the last word the witness said was was Copa
4 Airlines.

5 BY MR. FELS::

6 Q So where do you ultimately go once you're in Mexico in
7 2007?

8 A Well, I went to look for Laura Avila and it takes me a
9 while to find her. And in the meantime I spent some time with
10 my brother, Alex, who was undergoing surgery for necrotic
11 pancreatitis.

12 Q He was undergoing surgery in which country?

13 A In Mexico.

14 Q And eventually who do you go see?

15 A Don Joaquin Guzman.

16 Q Where?

17 A In the mountains in the golden triangle.

18 Q Approximately when in 2007 did you make it to see Don
19 Joaquin up in the mountains?

20 A Midyear, July.

21 Q Now did you observe any differences, Mr. Cifuentes,
22 between how Don Joaquin Guzman's camp appeared in 2007 as
23 opposed how it appeared when you first saw it in 2003?

24 A Well, more than the camp, the organization was different.

25 Q What did you mean by that?

CIFUENTES VILLA - DIRECT - MR. FELS

1 A So there were many people there, Damaso was there
2 carrying a telephone, radio. There was a lot of security, a
3 lot of weaponry. They had anti-air weaponry. It was a
4 completely different organization than the one I had seen in
5 2003.

6 Q When you say the organization was different, are you not
7 talking -- are you talking about the leaders are different or
8 are you talking about how the -- what weaponry they had, what
9 are you talking about?

10 A The people were the same but the amount of people they
11 had, the power they had at this time was much greater, 10
12 times greater.

13 Q So why were you there to meet with Don Joaquin in 2007?

14 A Security reasons.

15 Q Can you elaborate, please.

16 A Because he had contact with the Colombian cartels I
17 wanted him to help me find out who had murdered my brother,
18 Pachito.

19 Q Who is "he" had contact?

20 A Don Joaquin Guzman Loera.

21 Q And what was Don Joaquin's response when you asked him
22 for assistance?

23 A Well, he said he would help me but he had no idea who had
24 murdered my brother.

25 Q And did he come to you with a proposal of his own?

CIFUENTES VILLA - DIRECT - MR. FELS

1 A Well, first I told him that I had heard rumors that my
2 brother Pachito owed him \$5 million. I asked him if it had to
3 do with the two tons, the 400 kilos, the 640 kilos that had
4 been lost, I asked him if that was the reason.

5 Q And what did he say?

6 A He said there was no debt and that those losses were part
7 of the job. He said he wanted to work and he was interested
8 in the infrastructure that my brother Pachito had left in
9 Colombia.

10 Q What was your response?

11 A Well I said, I'm not going to Colombia, I'm scared. I
12 said, I could go to another country if you want my help, but
13 we could take advantage of some of my brother's
14 infrastructure.

15 Q What did you and Don Joaquin Guzman ultimately settle on?

16 A To work from Ecuador. I would go to Ecuador to do all
17 the cocaine shipments from that country.

18 Q Now why Ecuador?

19 A Well, it was close to Colombia, it was on the Pacific
20 coast, it was close to the border. It was good for me, I
21 didn't feel like I was in danger.

22 Q Showing you what's been marked as Government's Exhibit --
23 what's been admitted as Government's Exhibit 504. Could you
24 please circle Ecuador. Thank you.

25 Now, which ocean does Ecuador have a border with?

CIFUENTES VILLA - DIRECT - MR. FELS

1 A The Pacific Ocean.

2 Q Why was that significant?

3 A Because Sinaloa is also on the Pacific.

4 Q Yes, please circle.

5 Now, what infrastructure did you have set up in
6 Ecuador?

7 A Nothing, absolutely nothing.

8 Q So what did you have to do?

9 A I had to travel to Ecuador, I had to purchase warehouses,
10 purchase vehicles, I had to get a cocaine provider.

11 Q At this meeting in July of 2007 with Joaquin Guzman, what
12 did you agree to do with Joaquin Guzman?

13 A Well, traffic cocaine from Ecuador. I asked him once
14 again about the tuna fishing boats and he rejected my request
15 again.

16 Q So did you have any conversations with Joaquin Guzman at
17 that point about how you would be able to get the cocaine to
18 him in Mexico?

19 A We tried to do it by air using a DC-9 that my brother
20 Pachito had left. So, in fact, Don Joaquin had purchased it
21 from those who inherited in my brother's inheritance from his
22 children.

23 Q Did you come to any sort of concrete decisions about how
24 you would be able to get the cocaine to him in Mexico at that
25 first meeting in 2007?

CIFUENTES VILLA - DIRECT - MR. FELS

1 A No.

2 Q While you were up in the mountains with Joaquin Guzman,
3 do you introduce some people to Joaquin Guzman at that time?

4 A Yes, sir.

5 Q Who?

6 A Juan Pablo Londono, for example.

7 Q And who is Juan Pablo Londono?

8 A Juan Pablo Londono is a Colombian who has a company
9 called Monedeux, and they have a contract with Visa.

10 Q So why did you introduce this individual Juan Pablo
11 Londono to Don Joaquin Guzman?

12 A To help him move money from Mexico to Colombia in order
13 to purchase cocaine.

14 Q And did the three of you meet, you --

15 A Yes, sir.

16 Q -- Joaquin Guzman and Juan Pablo Londono?

17 A Yes, sir.

18 Q What did the three of you talk about?

19 A Well, Juan Pablo explained the system. The money is
20 transferred from the currency exchange bureau to his Monedeux
21 Company. Monedeux, through Visa, furnishes some debit cards
22 and those debit cards are physically transported to Colombia
23 and you can take money out of ATM machines in Colombian pesos.

24 Q What would you do with that money that was taken out of
25 the Colombian ATM machines?

CIFUENTES VILLA - DIRECT - MR. FELS

1 A You would use that money to buy the cocaine.

2 Q And where was -- you said where would the money be picked
3 up from to be given to Juan Pablo Londono?

4 A The money was picked up in Mexico from Don Joaquin, and
5 then you would deposit it in the currency exchange bureaus to
6 then take it to Monedeux.

7 Q You mentioned that you needed to go to Ecuador, correct?

8 A Yes, sir.

9 Q Before you left for Ecuador, was there someone that you
10 left with Don Joaquin Guzman up in the mountains?

11 A Yes, sir.

12 Q Who was that?

13 A My brother, Alexander Cifuentes.

14 Q And why did you leave your brother Alexander Cifuentes up
15 in the mountains?

16 A So that he could see that he was serious about my
17 commitment of sending in cocaine from Ecuador and in order to
18 have direct communication with Don Joaquin.

19 Q And, again, you used the pronoun "he," he could see that
20 I was serious, who is he?

21 A So that Don Joaquin could see that this was a serious
22 matter.

23 Q So after you left your brother Alex with Don Joaquin up
24 in the mountains, where did you go?

25 A To Ecuador.

CIFUENTES VILLA - DIRECT - MR. FELS

1 Q Did you travel on your Colombian passport or your Mexican
2 passport?

3 A With the Mexican passport.

4 Q Once you got to Ecuador, what did you have to do?

5 A I had to rent an apartment, I had to get some warehouses,
6 buy some trucks, everything that you need to traffic drugs,
7 all the infrastructure.

8 Q We'll get to that in a little bit of greater detail in a
9 moment. But once you started obtaining this infrastructure,
10 where did you go back to?

11 A I went back to Mexico.

12 Q To do what?

13 A Well, to report back to Don Joaquin to let him know that
14 things are in order.

15 Q Approximately when was this that you went back to Don
16 Joaquin?

17 A That's by the end of 2007.

18 Q And what passport did you use to travel from Ecuador to
19 Mexico?

20 A My Mexican passport.

21 Q Now when you went back around the end of the year 2007 to
22 see Don Joaquin, where did you see him?

23 A In the mountains.

24 Q Were you surprised by something that you saw or didn't
25 see when you got there?

CIFUENTES VILLA - DIRECT - MR. FELS

1 A Well, after I landed in that location and I greeted him
2 it surprised me that I didn't see my brother anywhere.
3 Everyone was dressed in military garb.

4 Q What do you mean by military garb?

5 A With that kind of clothing the military wears, like
6 camouflage.

7 Q So what happened, you couldn't find your brother?

8 A Well, I was looking for him around and all of a sudden he
9 does like this and he says, hello, buddy, and he was right
10 there next to me. And he was like in costume. He looked like
11 a mini general.

12 Q When you say he was in costume, what was he wearing?

13 A Well, he looked like a mini general. He was dressed in
14 military garb.

15 MR. FELS: Just for the witness, Your Honor, showing
16 Government's Exhibit, what's been marked, as 1H.

17 Q Sir, do you recognize who's being depicted in this
18 photograph?

19 A Yes, sir.

20 MR. FELS: And, Your Honor, if we move to introduce
21 Government's Exhibit 1H.

22 MR. LICHTMAN: No objection.

23 THE COURT: Received.

24 (Government Exhibit 1H, was received in evidence.)

25 MR. FELS: And publish to the jury, please.

CIFUENTES VILLA - DIRECT - MR. FELS

1 (Exhibit published.)

2 BY MR. FELS::

3 Q So who is this man in the middle?

4 A Hildebrando Alexander Cifuentes, my brother.

5 Q And the man here on the left?

6 A Don Joaquin Guzman Loera.

7 Q Now, how long had it been since the last time you saw
8 your brother, Hildebrando Alex Cifuentes?

9 A Approximately four months.

10 Q Do you mind if I call him Alex for short?

11 A No, sir.

12 Q So what was Alex's role for Don Joaquin as this point?

13 A Well, I don't know how or what, but he was out giving
14 orders. He was like do this, do that. Put the motorcycles
15 here. He became like his trusted man. And when I say "him,"
16 I'm referring to Don Joaquin.

17 Q Thank you for that.

18 So what is it that -- did Alex describe what else
19 Don Joaquin had him doing at that point?

20 A Yes, he had put him in charge of helping him with the
21 sale of cocaine, and he was handling his communications.

22 Q What about anything in connection with money pickups?

23 A Yes, I just -- I think I said, yeah, he was receiving
24 money, he was in charge of the money.

25 Q I apologize if you said it.

CIFUENTES VILLA - DIRECT - MR. FELS

1 Sir, recently were you asked to listen to a
2 telephone call to identify the voices on the call?

3 A Yes, sir.

4 Q And were you able to recognize some of the voices on that
5 call?

6 A Yes, sir.

7 Q I'd like to show you what's been marked for
8 identification purposes as Government's Exhibit 609-A7, for
9 identification purposes.

10 Do you recognize anything on that exhibit?

11 A Well, I recognize my initials and the date December 10th,
12 '18 which I wrote there.

13 Q Was that the first time that you heard this call?

14 A Yes, sir.

15 Q And what's the significance of putting your initials and
16 date on that disk?

17 A Well, I was indicating that I know the content of the
18 disk and that I listened to that on that date.

19 MR. FELS: Your Honor, we move to admit and publish
20 to the jury.

21 MR. LICHTMAN: No objection.

22 THE COURT: Received.

23 (Government Exhibit 609-A7, was received in
24 evidence.)

25 BY MR. FELS::

CIFUENTES VILLA - DIRECT - MR. FELS

1 Q I'm going to play you just a short clip just to recognize
2 the voices.

3 A Okay.

4 (Audiotape played.)

5 Q Can you stop for a moment.

6 (Audiotape stopped.)

7 Q Do you recognize any of the voices on that call?

8 A Yes, sir.

9 Q There were two voices?

10 A Yes, sir.

11 Q Do you recognize both of them?

12 A No, sir.

13 Q Which one do you recognize?

14 A My brother Alex's voice.

15 Q Can we go back a little bit to 45. Okay. That's great.

16 (Audiotape played.)

17 Q Can you stop there.

18 (Audiotape stopped.)

19 Q Did you recognize the voices in that clip from 45 to
20 1:06?

21 A Yes, sir.

22 Q What voices do you recognize?

23 A Don Joaquin Guzman's voice.

24 Q And the other voice, the louder voice, could you
25 recognize that voice?

CIFUENTES VILLA - DIRECT - MR. FELS

1 A No, sir.

2 Q So you hear Don Joaquin's voice and then who do you hear
3 right at the end of that clip?

4 A My brother, Alexander Cifuentes.

5 Q Thank you.

6 Now what did you and Don Joaquin talk about around
7 the end of 2007 when you went to go visit him in the
8 mountains?

9 A Well, we were trying to look for the way in which we were
10 going to make the cocaine go from Ecuador to Mexico.

11 Q And did Don Joaquin arrange any meetings for you at this
12 time to figure out how you would accomplish moving the cocaine
13 from Ecuador to Mexico?

14 A Yes, sir.

15 Q With whom?

16 A With some guys from PEMEX, Petrolio de Mejico. It was
17 Alfonso Acosta.

18 Q Where was this meeting held?

19 A Up in the mountains.

20 Q Who was present for this meeting?

21 A Well, there several: There was Damaso Lopez, Don Joaquin
22 of course, I think that Ivan Archivaldo was there and Vicente
23 Zambada, Mayo's son.

24 Q Let's talk about that for a second. Was there one
25 meeting or more than one meeting?

CIFUENTES VILLA - DIRECT - MR. FELS

1 A There were several meetings.

2 Q I just want to talk about the first meeting up in the
3 mountains first. Who was present for that one?

4 A Don Joaquin, Damaso, Mr. Acosta and the other guys from
5 PEMEX.

6 Q What did you discuss at this first meeting up in the
7 mountains?

8 A Well, that there were some ships that were available from
9 PEMEX, from Petrolio de Mejico, they were tanker ships and
10 they can go all the way to Ecuador to bring oil and then in
11 there we could introduce the cocaine. The oil would be left
12 at the refinery, Lazaro Cardinas in the Pacific.

13 Q In which country?

14 A In Mexico.

15 Q And, again, you mentioned the term "PEMEX," do you know
16 what PEMEX is short for?

17 A Petroleo Mexicanos, Mexican oil.

18 Q Did you have a second meeting about this plan to bring
19 cocaine using these PEMEX tankers?

20 THE COURT: Mr. Fels, at a convenient time.

21 MR. FELS: Sure. We can stop now, Your Honor.

22 THE COURT: You sure?

23 MR. FELS: Sure.

24 THE COURT: Okay. We'll take our morning break,
25 ladies and gentlemen. See you back in here at 11:25. Don't

CIFUENTES VILLA - DIRECT - MR. FELS

1 talk about the case.

2 (Jury exits courtroom.)

3 THE COURT: All right, 15 minutes.

4 (Recess.)

5 (In open court; jury not present.)

6 THE COURT: Let's will the jury please.

7 MR. LICHTMAN: Judge, can we approach?

8 (Sidebar conference.)

9 (Continued on the next page.)

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SIDEBAR CONFERENCE

1 MR. LICHTMAN: Nothing major, Judge. Mr. Guzman
2 apparently wants to communicate with me not through the Court
3 interpreter but through Ms. Colon.

4 Is that already in place? No, I'm pointing, I'm
5 pointing to you. You just shook your head, so --

6 MS. GOLDBARG: No, I didn't.

7 MR. LICHTMAN: Oh, okay.

8 MS. GOLDBARG: I'm listening, sorry.

9 MR. LICHTMAN: I just thought maybe there was --

10 THE COURT: The issue is just clearing cobwebs. So
11 he wants to talk to Ms. Colon --

12 MR. LICHTMAN: To be able to pass the translated
13 information to me.

14 MR. BALAREZO: Judge, normally what would happen is
15 if Purpura were here, he would talk to me and I would relay
16 the message to our paralegals. But he doesn't have that right
17 now.

18 THE COURT: Any problem with this?

19 MS. PARLOVECCHIO: No.

20 THE COURT: Let's do it.

21 MR. LICHTMAN: I just wanted to make sure that we
22 have the interpreter out of the way --

23 THE COURT: Yes.

24 MR. LICHTMAN: -- and I don't want to do it without
25 Your Honor knowing.

SIDEBAR CONFERENCE

THE COURT: Thank you.

(End of sidebar conference.)

(Continued on the next page.)

CIFUENTES - DIRECT - FELS

1 (In open court.)

2 (Jury enters courtroom.)

3 THE COURT: All right, be seated please. Please
4 continue, Mr. Fels.

5 MR. FELS: Thank you, Your Honor.

6 BY MR. FELS::

7 Q Mr. Cifuentes, when we left off you were discussing a
8 meeting that you had up in the mountains with Mr. Joaquin
9 Guzman and some representatives of a company called PEMEX at
10 the end of 2007. Do you remember that?

11 A Yes, sir.

12 Q And, sir, do you know who -- what -- who owns PEMEX?

13 A The Mexican government.

14 Q So did you have a second meeting on this plan to use
15 these PEMEX tankers?

16 A Yes, sir, several.

17 Q And where was this second meeting?

18 A It was in the outskirts of Culiacán in the area of El
19 Dorado at a ranch.

20 Q Who was present for the second meeting on this plan to
21 use the PEMEX tankers?

22 A Well, obviously it was Don Joaquin, also Ismael Zambada
23 Mayo Zambada, his son, Vicente Zambada, Damaso Lopez and the
24 PEMEX people and me.

25 Q Just to be clear, you said Ismael Zambada and Mayo

CIFUENTES - DIRECT - FELS

1 Zambada, are those two different people or the same person?

2 A Well, two people, the father and the son.

3 Q Let me say it again. Ismael Zambada and Mayo Zambada are
4 those the same person or different people?

5 A Same person, sir, sorry.

6 Q Then you mentioned someone named Vicente Zambada, his
7 son, correct?

8 A That's correct.

9 Q What was -- did you know Vicente Zambada?

10 A Yes, since we were young men.

11 Q Showing you what's already in evidence as Government's
12 Exhibit 101, who is this?

13 A Vicente Zambada.

14 Q And do you know what role Vicente Zambada had in his
15 father and Chapo's organization?

16 A Well, he is or was a member of the organization. In
17 addition to that, he was in charge of his father's security.

18 Q What was he doing at this meeting with the PEMEX
19 representatives to talk about this potential route to ship the
20 cocaine?

21 A Well, he was the owner, meaning he was the person who had
22 the connections with PEMEX.

23 Q Mr. Cifuentes, did you ultimately use these PEMEX tanker
24 vessels to move the cocaine from Ecuador?

25 A No, sir.

CIFUENTES - DIRECT - FELS

1 Q So if you didn't use the PEMEX tankers, what route did
2 you ultimately settle on to move the cocaine?

3 A Don Joaquin suggested that he had some fishing boats,
4 some shark fishing boats from Peru, and we decided to use that
5 equipment to move it.

6 Q Could you describe the route?

7 A Well, the merchandise would be found at the border of
8 Ecuador and Colombia, then it would be transported to Quito
9 and Guayaquil and the day of the shipment it would be brought
10 closer to the beach, and with small Go-fast boats they would
11 bring it closer to the ship, which is the tuna --

12 THE INTERPRETER: Interpreter correction.

13 A The shark fishing vessel that would have started from
14 south upwards.

15 Q South from where?

16 A From Peru.

17 Q So what happens when the small boats meet the big shark
18 boat?

19 A The shark fishing boat would go up north and the Go-fast
20 boats would leave and go west to meet up with the shark
21 fishing boat and deliver the cocaine.

22 Q Then once they delivered the cocaine, what would happen
23 with the shark boat?

24 A The shark boat would continue north to Mexico, but on
25 international waters it would meet up with a Mexican boat,

CIFUENTES - DIRECT - FELS

1 with that tuna fishing boat then the ship would deliver the
2 cocaine to the Mexican boat. The tuna fishing boat would then
3 come close to the Mexican shore and you would then go ahead
4 with the same type of operation. You would have smaller
5 Go-fast Mexican boats that would come pick up the cocaine and
6 then bring it back to land. So that in order to avoid for the
7 tuna fishing boat to actually have the cocaine when it comes
8 to port.

9 Q Sir --

10 MR. FELS: Your Honor, if I may approach with a
11 Sharpie and a map?

12 Showing you what's already been introduced into
13 evidence as Government's Exhibit 504. Could you please draw
14 the route as you just described.

15 (Witness complying.)

16 Q And could you initial it and put today's date, which is
17 the 12th of December.

18 (Witness complies.)

19 (Continued on the next page.)

CIFUENTES - DIRECT - FELS

1 MR. FELS: Your Honor, at this point we seek to move
2 into evidence and publish for the jury what is now 504C.

3 THE COURT: Show it to counsel, please.

4 MR. LICHTMAN: Can I see it?

5 No objection.

6 THE COURT: Received.

7 (Government Exhibit 504C, was received in evidence.)

8 MR. FELS: If we may publish, your Honor.

9 BY MR. FELS::

10 Q Let's talk about what you've drawn here. What are we
11 looking, right where I'm pointing here?

12 A Well, supposedly those would be the small go-fast boats.

13 Q You mentioned there would be a shark boat coming from
14 Peru. Can you use your finger to just show where that boat
15 would be coming from?

16 A From the south, from Peru.

17 Q What is the significant of this first X on the bottom of
18 the page?

19 A The place where the shark fishing boat, the Peruvian
20 boat, would meet up with the go-fast boat that would bring the
21 cocaine from Ecuador.

22 Q So the cocaine is traveling west from Ecuador?

23 A That's correct.

24 Q The empty boat, the shark boat is traveling north from
25 Peru?

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1 A That's correct.

2 Q And then where does the shark boat go?

3 A It would head north to international waters right across
4 from Mexico.

5 Q And now I notice there is another X here in the middle of
6 X on the page.

7 What is happening here?

8 A That's where the two ships would meet up, that is the
9 tuna fishing Mexican vessel with the shark fishing Peruvian
10 vessel.

11 Q Who is sending the tuna fishing vessels from Mexico?

12 A Don Joaquin and Damaso would be in charge of the
13 operation.

14 Q So what direction is this fishing boat coming from?

15 A Well, that ship actually shipped out of the Port of
16 Mazatlan and it traveled south to meet up with the Peruvian
17 ship.

18 Q So it's traveling from here down here?

19 A That's correct.

20 Q Then what happens here at the X?

21 A The Peruvian boat loads up the cocaine to the Mexican
22 boat.

23 Q Where does the Mexican boat go from there?

24 A It goes back north towards Mazatlan.

25 Q What is happening at the top X that I'm circling here?

CIFUENTES - DIRECT - FELS

1 A As its approaching the port, there is some go-fast boats
2 that ship out and come and pick up the cocaine from that ship.

3 Q Where did you go after you had these meetings at the end
4 of 2007?

5 A Well, I make several trips, amongst those I go to
6 Ecuador.

7 Q Did you return back to your home country first?

8 A I traveled to Europe and then I go back to Colombia the
9 end of the year.

10 Q I want to show you -- do you remember exactly when you
11 arrived back from Mexico to Colombia?

12 A Like around mid-December, but I don't recall the exact
13 date.

14 Q Is there a document that would refresh your recollection?

15 A The Colombian immigration records.

16 Q Showing you your trips, 2007, just for the witness,
17 Government's Exhibit 801. Does this refresh your recollection
18 as when you returned back from Mexico to Colombia the end of
19 2007?

20 A Yes, sir.

21 Q When was that?

22 A December 26, 2007.

23 Q Now, you said you had to go to Ecuador, correct?

24 A Yes, sir.

25 Q What did you go to Ecuador to do?

CIFUENTES - DIRECT - FELS

1 A Well, I had already located the cocaine supplier, but I
2 had to go and get the warehouses and I had to build the traps,
3 the secret compartments.

4 Q Who is the principal cocaine supplier for the cocaine
5 that you were shipping to Don Joaquin?

6 A Gilberto Garcia.

7 Q What nationality was he?

8 A Colombian.

9 Q Did you meet him several times?

10 A Yes, sir.

11 Q Just for the witness, your Honor, Government's Exhibit
12 66. Sir, do you recognize who is depicted in Government's
13 Exhibit 66?

14 A Yes, sir.

15 Q Who is this?

16 A Gilberto Garcia --

17 MR. FELS: Move to admit.

18 MR. LICHTMAN: No objection.

19 (Government Exhibit 66, was received in evidence.)

20 A -- a/k/a.

21 Q You were about to say a/k/a?

22 A Yes, sir. I'm sorry. Alias El Politico, a/k/a Serpa.

23 Q Why was Gilberto Garcia named El Politico

24 A Because of his mustache. There was a Colombian
25 politician who's last name was Serpa who had a similar

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1 mustache.

2 Q So this Gilberto Garcia, a/k/a Politico, you also
3 mentioned he was also called Serpa, correct?

4 A Serpa and Pastrana also.

5 Q What is the significance of Pastrana?

6 A We associated him with the ex-President of Colombia who
7 also had a mustache.

8 Q How is Politico going to get you the cocaine?

9 A He would purchase it on the border with Ecuador and
10 Putumayo, in an area that the FARC controlled, those were the
11 guerrillas. They would transport it to San Lorenzo and
12 Esmeraldas.

13 Q You mentioned the FARC, correct?

14 A Yes, sir.

15 Q Did you know what kind of group the FARC was at the time?

16 A Yes, sir, they were a terrorist group.

17 Q Why were you willing to buy cocaine from someone who is
18 going to buy it from a terrorist group?

19 A It was the only way to purchase cocaine because that
20 entire area is controlled by the guerrillas, by the FARC.

21 Q Who else knew that you were buying this cocaine from this
22 terrorist group?

23 A Don Joaquin.

24 MR. LICHTMAN: Objection.

25 THE COURT: Sustained. Rephrase it.

CIFUENTES - DIRECT - FELS

1 Q Sir, did you ever explain to Don Joaquin how you were
2 obtaining this cocaine?

3 A Yes, sir.

4 Q What did you tell him?

5 A That we were buying the cocaine from the guerrillas.

6 Q What was his reaction?

7 A He thought it was fine.

8 Q You said Politico was going to get this cocaine by the
9 Ecuador Colombia border, correct?

10 A That's correct.

11 Q But you mentioned earlier that you had warehouses in
12 other places?

13 A Yes, sir.

14 Q Where were those other places?

15 A In Quito, Ecuador and Guayaquil.

16 MR. FELS: For the witness only.

17 Q Showing you Government's Exhibit 506-23 for
18 identification purposes. Do you recognize what this is?

19 A The map of Ecuador.

20 MR. FELS: At this point we move to admit
21 Government's Exhibit 506-23.

22 MR. LICHTMAN: No objection.

23 THE COURT: Received.

24 (Government Exhibit 506-23, was received in
25 evidence.)

CIFUENTES - DIRECT - FELS

1 MR. FELS: And publish.

2 Q You said this is a map of Ecuador, can you draw with your
3 finger where Politico was obtaining the cocaine?

4 A Here.

5 Q If you don't mind touching the screen a little more?

6 A Exactly.

7 Q You mentioned, you testified earlier that he brought it
8 to Esmeraldas and San Lorenzo, where are those?

9 A Here -- no.

10 Q I'll zoom in.

11 A San Lorenzo is here.

12 Q You mentioned that you had your warehouses in Quito.

13 A Quito is here, the capital.

14 Q I think you also said Guayaquil?

15 A And Guayaquil is here.

16 Q How are you going to get the cocaine from San Lorenzo
17 where Politico delivers it, to you, to Quito and Guayaquil?

18 A Bribing the Ecuadorian army.

19 Q Was there an individual you met within the Ecuadorian
20 army who was going to accomplish this task for you?

21 A Yes, sir, Capitan Telmo Castro.

22 Q Did you ever meet Captain Telmo Castro?

23 A Yes, sir.

24 Q Who introduced you to Telmo Castro?

25 A El Politico and Javier Diaz -- no, I'm sorry, I mean

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1 Javier Pardo.

2 Q Again for the witness only, Government's Exhibit 36.

3 Sir, do you recognize who is being depicted in Government's
4 Exhibit 36?

5 A Yes, sir.

6 Q Who is this?

7 A That's Telmo Castro, the Captain of the Ecuadorian army.

8 Q Remind the jury what is he going to be doing for you?

9 A He had to transport the cocaine from San Lorenzo in army
10 trucks to the warehouses in Quito and Guayaquil.

11 Q What is the significance in using army trucks in
12 transporting the cocaine?

13 A Army trucks aren't searched, so there is no danger of
14 losing the cocaine or having it seized.

15 Q Did this gentleman, Telmo Castro, did he go by some
16 nicknames?

17 A Capi or Carpintero.

18 Q Did you come to some sort of agreement with Telmo Castro
19 as to how much he would charge you to move the cocaine in
20 these army trucks to your warehouses?

21 A Yes, sir, \$100 per unit, \$100 per kilo of cocaine.

22 Q How are you going to profit from the shipment of this
23 cocaine to Don Joaquin.

24 A Well, Don Joaquin promised Alex me and 25 percent of the
25 profits of this deal.

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1 MR. FELS: A moment, your Honor. If we could move
2 to admit Government's Exhibit 36.

3 MR. LICHTMAN: No objection.

4 THE COURT: Received.

5 (Government Exhibit 36, was received in evidence.)

6 MR. FELS: And publish.

7 Q Again, could you describe to the jury who is depicted
8 here in Government's Exhibit 36?

9 A That's Telmo Castro, the captain of the Ecuadorian army.

10 Q You testified that Don Joaquin promised that you and your
11 brother, Alex, would receive 25 percent of the profits?

12 A That's correct.

13 Q Did you agree to these terms with Don Joaquin?

14 A Yes, sir.

15 Q Did you ultimately buy any cocaine from Politico?

16 A Yes, sir.

17 Q With what money?

18 A With Don Joaquin's money.

19 Q Can you describe to the jury how you got Don Joaquin's
20 money and got it down to pay Politico?

21 A Well, it's very complicated. So it's from different
22 places. The cash is in Mexico City in Mexico, from New York,
23 from Chicago, Canada. So we get the money in cash and there
24 are people who charge a certain percentage to actually bring
25 down the money to Colombia to buy the cocaine.

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1 Q And who are some of other individuals who were involved
2 in taking Don Joaquin's money from all these different
3 locations and getting it down to Colombia?

4 MR. LICHTMAN: Objection.

5 THE COURT: Ask him if he knows.

6 Q Mr. Cifuentes, are you aware, based on your experience
7 in this deal, of the different methods by which the money was
8 brought from Don Joaquin from these various places and brought
9 down to Colombia?

10 A Yes, sir, of course.

11 Q Why were you aware of this?

12 A Well, I got him people for this issue, like Juan Pablo
13 Londono.

14 Q Who are some of other individuals that you recruited to
15 help take Don Joaquin's money from these various locations and
16 bring it down to Colombia?

17 A Shimon Yelinek, Simon Yelinek.

18 Q What did he do?

19 A He picked up cash in New York and other locations.

20 Q Did he go by a nickname?

21 A Goliath.

22 Q Who else?

23 A Goliath, sometimes we called him Simon, the Jew.

24 Q Who else did you recruit to bring Don Joaquin's money to
25 Colombia?

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1 A Oh, Juan Ramon Zapata, El Gordo Mangueras.

2 Q Anyone else that you can remember?

3 A Right now I don't remember anyone else.

4 Q Did you have any conversations with Don Joaquin about the
5 need to get his money in these various places and bring it
6 down to Colombia to pay for the cocaine?

7 A Yes, sir, of course.

8 Q What were these conversations that you had with him?

9 A Basically the method that we were going to use, the cost
10 or the percentage that the service was going to cost.

11 Q Can you explain that what is, the cost or percentage of
12 the service, what does that mean?

13 A There are people who specialize in this activity of
14 moving money down. They charge you for this. They charge you
15 a percentage like 10 percent, 16 percent.

16 Q Why was it important to discuss this with Don Joaquin?

17 A Well, because the money belonged to Don Joaquin.

18 Q Did you buy all the cocaine at once or did you buy it on
19 a rolling basis?

20 A As Don Joaquin's money was delivered, I would purchase
21 the cocaine.

22 Q How did you memorialize or keep track of the amounts of
23 cocaine that you had purchased on behalf of Don Joaquin?

24 A I used an accounting software where I would record all
25 the incoming and outgoing money and all the transactions that

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1 were made in the drug trafficking business.

2 Q Why was it important to maintain these records?

3 A Because I'm responsible for Don Joaquin's money.

4 Q Did you review this these records at the time of the
5 transactions back in 2008?

6 A All the time.

7 Q Why did you review them?

8 A Well I had two accountants at the time dealing with the
9 situation, and sometimes drug trafficking language or lingo is
10 very complex. So I had to make sure that the entries were
11 placed correctly in the accounts.

12 Q And have you seen these accounting records of the 2008
13 cocaine purchases for Don Joaquin recently?

14 A Yes, sir.

15 MR. FELS: Your Honor, if I may approach?

16 THE COURT: Okay.

17 Q Showing you what is marked for identification purposes as
18 Government's Exhibit 301. Would you please take a look at
19 Government's Exhibit 301?

20 A Yes, sir, these are my accounting sheets.

21 Q Do they appear to be a complete and accurate record of
22 the accounting sheets that you worked with in 2008 and the
23 beginning part of 2009?

24 A Yes, sir, it looks like they are complete.

25 Q Do they appear to be altered in any way?

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1 A Can I take it out of here?

2 Q Please, examine it.

3 A I want to make sure.

4 (Witness reviewing document.)

5 They are correct. And there is no alteration. And
6 they are complete, yes.

7 MR. FELS: At this point we move into evidence
8 Government's Exhibit 301.

9 MR. LICHTMAN: No objection.

10 THE COURT: Received.

11 (Government Exhibit 301, was received in evidence.)

12 Q I'm going to show you, sir, for identification purposes
13 Government's Exhibit 301A, 301B. Do you recognize what 301A
14 is?

15 A Yes, sir, my accounting records.

16 Q This is a portion of 301; is that correct?

17 A That's correct.

18 Q And 301B, there is a notation on the top, can you read
19 that?

20 A Balance sheets Pastrana.

21 Q Who is Pastrana?

22 A Gilberto Garcia, alias El Politico.

23 Q This is also an excerpt from the larger records, 301?

24 A That's correct.

25 MR. FELS: Your Honor, at this point we move to

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1 introduce and publish 301A and 301B as well as translations,
2 translations in English.

3 MR. LICHTMAN: No objection.

4 THE COURT: Received.

5 (Government Exhibit 301A & 301B, was received in
6 evidence.)

7 Q Let's take a look at 301B, first. What is this first
8 category here, Ingreso?

9 A That means when the money comes in, it comes in.

10 Q Where is the coming in from?

11 A From Don Joaquin.

12 Q I want to focus your attention to these first three rows
13 number five, six, seven.

14 A Yes, sir.

15 Q And the first column, first rows, read NY/Para Pastrana,
16 NY Pastrana, and NY Pastrana. What is NY?

17 A New York.

18 Q What is the significance of these three entries?

19 A Those are three deliveries that Don Joaquin made for us
20 in New York and we had to record them one by one according to
21 the date.

22 Q The dates are July 18, 2008 -- sorry, July 19, 2008 and
23 July 19, 2008, correct?

24 A That's correct.

25 Q Does this particular Exhibit 301B mention Joaquin Guzman

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1 in any way?

2 A No, sir.

3 Q How do you know that this is money that is coming from
4 Joaquin Guzman?

5 A Well, all of the money came from him.

6 Q And are there other ledgers that have Joaquin Guzman's
7 name on it?

8 A Yes, sir.

9 Q Let's talk again about this money. What is the total
10 amount of money here from five, six, seven?

11 A Yes, we have \$1 million.

12 Q Moving to columns D and E. I want to focus your
13 attention on this column that says %Deduccion and \$Deduccion
14 Can you explain what does this signify?

15 A This means the percentage that the person who is charging
16 for service charges. And the services to get the money and
17 place it in either Colombia or Ecuador so that we can purchase
18 the drugs.

19 That means that from \$500,000, you pay 16 percent,
20 which is equivalent to \$80,000, which is what you're paying
21 for the service. That means that we would receive physically
22 \$420,000.

23 Q Let's take a look at column F. What is this Neto
24 Ingreso?

25 A That is the total that I just explained. Once you deduct

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1 the amount that I mentioned, that's what you have left.

2 Q You said that it was going to be \$420,000 and what is it
3 here?

4 A \$420,000.

5 Q I want to direct your attention to column I here. This
6 Saldo, what is that?

7 A That means balance.

8 Q The number here is increasing, what does that signify?

9 A Every time you put in more money, then the amount of
10 money you have in the account increases.

11 Q You said that you picked up or had people pick up this
12 money, Don Joaquin's, in New York, the first three entries.
13 Do you know what the source of that money was?

14 A From the sale of drugs from cocaine.

15 Q Where?

16 A In New York.

17 Q I want to move along. Let's take a look at page four of
18 Government's Exhibit 301B. The title is -- can you read that
19 for us?

20 A Balance sheet Mangueras and Mangueras.

21 Q Who or what is Mangueras and Mangueras?

22 A It was like a fat guy who was moving money.

23 Q Moving money for whom?

24 A He was giving us the service to move Don Joaquin's money
25 to Colombia and Ecuador so that we could purchase the cocaine

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1 and so we would have money for expenses.

2 Q Let's take a look at some of the details here. I want to
3 direct your attention to lines four through seven. It reads
4 NY (Mangueras Y Mangueras). What is going on here?

5 A Here you have Mangueras, El Gordo, who is receiving money
6 in New York, meaning all of these amounts. And those amounts
7 belong to Don Joaquin's money.

8 Q And moving down to line 19, what is this, Chicago?

9 A That was money that was delivered, meaning received, in
10 Chicago.

11 Q Line 20, Chicago-NY?

12 A That was a mistake by the accountant. She did not know
13 if the money was received in Chicago or in New York.

14 Q And moving down to line 22. A reference there, what does
15 that say?

16 A It says October 17 received Canadian dollars 760,000
17 times .9.

18 Q What is the significance of that?

19 A Well, that means that the money was received in Canada
20 and the multiplication there, times .9, indicates the value of
21 the American dollar versus the Canadian dollar.

22 Q I want to point out a name in line 17 and 28, I'll circle
23 it for you. This reference in lines 17 and 28 to a Lazaro, do
24 you know who Lazaro is?

25 A Yes, sir.

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1 Q Who is he?

2 A He is a worker of Gordo Mangueras. And he was in charge
3 of receiving the money physically.

4 Q Who's money?

5 A Don Joaquin's money.

6 Q And what are the dates here that show that Lazaro was
7 receiving Don Joaquin's money?

8 A We have June 10, 2008. We have here -- let me see, so we
9 have the one from June 10, then I guess it was April 11.

10 Q Sir, are you aware of a different dating convention
11 between Colombia and the United States?

12 A Yes, sir, that's why I got confused for you.

13 Q Describe for the jury what is the different dating
14 convention between the United States and Colombia?

15 A We place first the day and then the month.

16 Q What about your accounting software?

17 A First the month then the day.

18 Q Okay, so let's try it again. The dates that Lazaro
19 picked up the money, Don Joaquin's money?

20 A October 6 and November 4.

21 Q And what year?

22 A 2008.

23 Q Now, how well do you know Lazaro?

24 A I do not know him in person.

25 Q Who in your family would know him in person?

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1 A Alexander Cifuentes.

2 Q Now, let's move on to a different topic. Did Don Joaquin
3 do anything to verify that you were using his money to
4 purchase cocaine in Ecuador?

5 A Yes, sir.

6 Q What did Don Joaquin do to verify?

7 A He sent his nephew, Tomas, over to me for him to see that
8 the cocaine was in Ecuador.

9 Q Did someone receive Don Joaquin's nephew Tomas in
10 Ecuador?

11 A Yes, sir, I received him personally.

12 Q Who did you put Don Joaquin's nephew, Tomas, in touch
13 with so that he, Tomas, could go and look at the cocaine that
14 you had purchased?

15 A My nephew Jaime Alberto Roll.

16 Q What did you want or what did you it have Jaime Alberto
17 Roll do with Tomas?

18 A For him to take him to the Quito and Guayaquil warehouses
19 and show him the cocaine.

20 Q Mr. Cifuentes, were you recently asked to review a video
21 to see if you could recognize people in the video?

22 A Yes, sir.

23 Q Were you able to recognize some of the people in the
24 video?

25 A Yes, sir.

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1 Q I will show you what has been marked for identification
2 purposes Government's Exhibit 703B6 -- 703B, I apologize. Do
3 you recognize something on Government's Exhibit 703B?

4 A Yes, sir, my initials which I put on this disk as well as
5 the date.

6 Q Again, what is the significance of you putting your
7 initials and the date on this disk?

8 A That this was the same disk of which content I viewed.

9 MR. FELS: Your Honor, we move to admit Government's
10 Exhibit 703B and publish.

11 MR. LICHTMAN: No objection.

12 THE COURT: Received.

13 (Government Exhibit 703B, was received in evidence.)

14 MR. FELS: If we can dim the lights. We'll play a
15 short clip from 18 seconds.

16 (Video played)

17 MR. FELS: Okay, stop.

18 Q Sir, we stopped at 25 seconds. Who is the person here on
19 the right?

20 A That's Tomas, Don Joaquin's nephew.

21 Q And the person here on the left?

22 A That's my nephew Jaime Alberto Roll.

23 Q Okay. So where did Tomas go then after you received him
24 in Ecuador?

25 A He goes to Quito to check out the cocaine at the Quito

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1 warehouses; and then he goes to Guayaquil to check out the
2 cocaine there. Then he also goes to the border with Ecuador
3 and Colombia.

4 Q We'll stop the video, we're not going to play anymore of
5 the video. I'll go back to the Elmo.

6 And just for the witness, showing you what is marked
7 Government's Exhibit GX703B-14. Do you recognize the
8 individuals in this photograph?

9 A Yes, sir.

10 MR. FELS: Your Honor, we move to admit and publish.

11 MR. LICHTMAN: No objection.

12 THE COURT: Received.

13 (Government Exhibit 703B-14, was received in
14 evidence.)

15 Q The person on the left?

16 A My nephew, Jaime Alberto Roll.

17 Q And the person on the, right?

18 A Tomas, Don Joaquin's nephew.

19 Q While Tomas was in Ecuador, did you give him anything?

20 A Of course, sure. I mean I gave him lodging, I give him
21 like a per diem. I bought him everything that he needed for
22 the house.

23 Q You said a per diem, what is that?

24 A Per diem that's the money that he can use for his
25 personal expenses, for him to move around, in order for him to

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1 eat, to sleep, I don't know, expenses.

2 THE COURT: I think you're drifting from the
3 microphone.

4 THE INTERPRETER: Sorry.

5 Q Who authorized the payment of this money?

6 A Well, Don Joaquin of course.

7 Q You testified earlier, you gave us a chart, Government's
8 Exhibit 504C, that you had to get boats to meet up with the
9 fishing -- the shark vessel from Peru. How did you obtain
10 those boats?

11 A We purchased them in Ecuador.

12 Q And who was going to drive them?

13 A Don Joaquin sent me some fishermen, some boatmen,
14 fishermen from Mexico.

15 Q So they came from Mexico, where did they go?

16 A I set them up. Well, I got a home in Guayaquil where I
17 set them up. And I got an apartment on the beach too.

18 Q Did you have expenses in connection with those boat
19 operators from Mexico as well?

20 A Yes, sir, all the expenses are in these records.

21 Q Let's talk about those records. Going back to
22 Government's Exhibit 301A. I want to -- we'll skip ahead, but
23 before we start going into these records in detail, what do
24 these records represent?

25 A These are general expenses for the drug trafficking

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1 operation.

2 Q I'm going to highlight a couple of them, we won't go
3 through all of them.

4 But let's go to page seven, we have line 289, I'll
5 zoom in here. We have Caja Fuerte, what is that?

6 A It's a safe where you store things of value, like money.

7 Q What about this one here, line 290, if maybe the
8 interpreter can read that?

9 THE INTERPRETER: Does counsel want the interpreter
10 to read it in Spanish or English?

11 MR. FELS: Spanish, please.

12 Q What is this, sir?

13 A Cellular inhibitor, you turn it on during a meeting and
14 there is no way anybody can tape it or send out information.

15 GPS is for the boatmen so they can locate the
16 location where they have to meet up with the boat.

17 And the microphone searcher is like if we're in a
18 hotel or anywhere else we can search if there are bugs in
19 there.

20 Q Sir, do you see any of these entries that relate to the
21 purchase of the fishing boats?

22 A Yes, sir. Mega Pacific purchase of boats.

23 Q I'll highlight that. Under that is 293, for Compras
24 Articulos de Pesca?

25 A Purchase of fishing gear. So that is placed on the top

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1 of the boat to cover up the cocaine so that nobody can see
2 what the fishermen are taking.

3 Q I want to go back to Inhibidor Celular, the cellular
4 inhibitor. You said that you couldn't record something, you
5 couldn't record what?

6 A It's a device, about this size, you turn it on and it
7 blocks any cell signal around in case somebody is recording
8 you or listening you they can't.

9 Q For the record, the witness had his hands apart about
10 10 inches wide.

11 Now, I want to point out some names that are to the
12 right of these purchases. Ramiro, in line 289 and elsewhere;
13 and Jaime in line 299 and elsewhere. Who are these people?

14 A Ramiro is Milton Martinez. It's Jimena Martinez',
15 brother she was my accountant.

16 Q What did he do for you?

17 A He was in charge of dispatching the cocaine from Ecuador.
18 And Jaime is Jaime Alberto Roll Cifuentes, and he does the
19 same job with him.

20 Q Showing you what is already introduced into evidence as
21 GX703B-14, who is this the person on the left?

22 A That's my nephew, Jaime Alberto Roll, the same person who
23 appears in the accounting.

24 Q I notice this last line here, 301, Compra de Arma, what
25 is the significance of this?

CIFUENTES - DIRECT - FELS

1 A Well, purchase of a weapon, Jaime Alberto bought a weapon
2 for his own security.

3 Q You mentioned Milton Martinez a/k/a Ramiro.

4 A Yes, sir.

5 Q Have you met him many times?

6 A Many, many times, yes.

7 Q Showing you what is marked for identification
8 Government's Exhibit 72, who is this?

9 A Milton Martinez.

10 MR. FELS: Your Honor, move to introduce and
11 publish.

12 MR. LICHTMAN: No objection.

13 THE COURT: Received.

14 (Government Exhibit 72, was received in evidence.)

15 Q And showing you what is marked for identification
16 purposes as Government's Exhibit 89, do you recognize who is
17 depicted in Government's Exhibit 89?

18 A Yes, sir.

19 Q Who is this?

20 A Jaime Alberto Roll, my nephew.

21 MR. FELS: Your Honor, move to introduce
22 Government's Exhibit 89.

23 MR. LICHTMAN: No objection.

24 THE COURT: Received.

25 (Government Exhibit 89, was received in evidence.)

CIFUENTES - DIRECT - FELS

1 MR. FELS: And publish.

2 Q Once again, the references in Government's Exhibit 301A
3 on page seven here to Ramiro and Jaime refers to whom?

4 A So it refers to these two people. When it refers to
5 Milton Martinez, it says Ramiro; and Jaime Alberto Roll is
6 Jaime.

7 Q Let's move ahead to page 15 of these ledgers. I want to
8 focus your attention on this fourth entry, which is line 635
9 on page 15, Luz Bodega Quito. What is that?

10 A That's payment for electricity to the Quito warehouse.

11 Q Keeping the lights on.

12 A To keep the lights on.

13 Q The next line, two down, 637, it says Flechura Segundo
14 Clavo.

15 A Making the second trap is referring to making the secret
16 compartment in the second warehouse, there had already been a
17 first one; so that if they found it, it wouldn't be seized.

18 Q You said trap meaning what?

19 A A trap, a secret location to hide cocaine. In the first
20 warehouse we did it in the kitchen area. We excavated down
21 below and we created a space where we could place
22 approximately 10 tons, that is not visible in plain sight,
23 sealed with hydraulic jacks. And we did the same thing in
24 Guayaquil. The compartment, the trap, was a little smaller
25 there.

CIFUENTES - DIRECT - FELS

1 Q When you say sealed with hydraulic jacks, what do you
2 mean by that?

3 A In order to be able to access the hidden compartment that
4 has a hydraulic jack, which you can activate and deactivate
5 with a remote control. This is for safety.

6 Q And when you say for safety, what kind of safety do you
7 mean?

8 A Well, to protect ourselves from the authorities.

9 Q To protect yourselves or to protect something else?

10 A Protect Don Joaquin's cocaine from you guys.

11 Q We'll get to that in just a moment. Let's move on.

12 Line 638, Dos meses de garantia y renta casa
13 Mexicanos, what is this?

14 A That's exactly what it says, two months' rent payment for
15 the house where I was going to lodge the Mexican boatmen who
16 were going to be the ones to take out the cocaine.

17 Q And just one more on this page, 642, Pago vigilancia
18 bodega duran, what is the significance of this?

19 A It's payment for the guard, the person who was looking
20 after the warehouses. Making sure there were no thieves
21 around.

22 Q We'll turn to page 16, I'm going to show you line 698 and
23 zoom in. It says here, Viaticos Juan empacador XT, what is
24 this?

25 A Juan is a person who worked for me, who was going to work

CIFUENTES - DIRECT - FELS

1 packaging -- well, XT stands for cocaine. And it has to be
2 very well packed because it's going on boats, things related
3 to water. We wanted to make sure it didn't get wet.
4 Notwithstanding the fact that the cocaine is well protected
5 and the kilos is well packed, we also put it another bag to
6 protect it even more in case it gets bounced around or banged,
7 then the kilo wouldn't break and it wouldn't get wet.

8 Q When you say it wouldn't get wet, why would it get wet?

9 A Because it's on boats in the ocean. And if it gets wet,
10 it gets ruined.

11 Q I want to focus on this word here, XT, what does that
12 mean?

13 A That means cocaine.

14 Q Why don't you just say cocaine?

15 A That would be too low to call it cocaine like that. It's
16 the way a word my brother and I used in the 90s when we
17 started doing it.

18 Q Next line here, Costales, Guantes, Agujas, Cinta Para XT,
19 how did I do with the pronunciation?

20 A Your Spanish is very good.

21 Same thing, costales means sacks. The gloves are
22 used in order not to leave fingerprints on the cocaine. And
23 you use needle to sew up the sacks where the cocaine is placed
24 inside. And tape to strengthen the wrapping around the
25 cocaine you put more tape. And XT is what I just told you,

CIFUENTES - DIRECT - FELS

1 cocaine.

2 Q Line 705, it says Para Tomas, what is this?

3 A If an advance payment for Tomas for his salary, Don
4 Joaquin's nephew. And Don Joaquin had authorized me to
5 deliver to him.

6 Q Showing you again what is introduced as Government's
7 Exhibit GX703B-14, you see Tomas in there?

8 A Yes, sir, he's to the right.

9 Q Let's skip ahead to page 26.

10 THE COURT: Mr. Fels, do you think you can finish
11 this document in five minutes?

12 MR. FELS: I don't think so.

13 THE COURT: Do you want to take another five minutes
14 or break now?

15 MR. FELS: We can break now.

16 THE COURT: Let's go to lunch.

17 Ladies and gentlemen, don't talk about the case.
18 We'll see you at 1:45 p.m.

19 (Jury exits.)

20 THE COURT: What is your anticipated it timing,
21 Mr. Fels?

22 MR. FELS: I was looking at my direct, we're halfway
23 finished. I think there is a chance we could be finished by
24 the end of the day.

25 THE COURT: Okay. See you after lunch.

CIFUENTES - DIRECT - FELLS

MR. BALAREZZO: If we can approach briefly?

(Continued on the next page.)

SIDEBAR CONFERENCE

1 (Sidebar conference.)

2 MR. BALAREZZO: This relates to the issue with
3 Ms. Colon earlier. Mr. Lichtman had asked if she can sit at
4 table with us. I recall that we made a representation to the
5 Court that she would not sit the table.

6 THE COURT: I asked the Government if they had a
7 problem, they said no.

8 MR. BALAREZZO: In light of the pending motions,
9 we've asked her to leave. One of my paralegals will be taking
10 her place.

11 THE COURT: Thank you.

12 (Lunch recess.)

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CIFUENTES - DIRECT - FELS

1 A F T E R N O O N S E S S I O N

2 (1:45 p.m.)

3 (In open court.)

4 THE COURTROOM DEPUTY: All rise.

5 THE COURT: Please bring in the jury.

6 Mr. Fels, feel free to cut out anything you want
7 from your direct examination, don't keep it in for my sake.

8 MR. FELS: I'm looking, Your Honor.

9 (Jury enters courtroom.)

10 THE COURT: All right, be seated please. We'll
11 continue with direct examination.

12 DIRECT EXAMINATION

13 BY MR. FELS::

14 Q Good afternoon, Mr. Cifuentes. When we left off we were
15 talking about the ledger for the cocaine purchase for Joaquin
16 Guzman, which is Government's Exhibit 301-A. I wanted to turn
17 your attention to page 26. And on line 1160, there are three
18 letters appear to be SMN. What's that?

19 A That's Simon, me.

20 Q Remind the jury, how did you get that nickname again?

21 A Don Joaquin and I agreed that he would continue to call
22 me Simon. And the name came from the movie "The Saint" with
23 Roger Moore.

24 Q And the next line down, line 1162, Primera Entrega En
25 Efectivo En NY, parentheses, Ruben. What's that?

CIFUENTES - DIRECT - FELS

1 A Well, in the beginning of 2007 all of the expenses in
2 Ecuador I actually paid them with my own money, and the
3 accounting package here I created this in January 2008. So I
4 brought that accounting from the previous year on to the 2008
5 year. And that was \$1,800,000 that I contributed to the
6 project for all of the expenses for the purchase of the
7 cocaine.

8 Q So what's the significance -- the NY is New York, right?

9 A Yes, sir, that's New York.

10 Q So why did you have money in New York?

11 A Well, that was the result of the sale of drugs. In this
12 case I had actually exchanged the for -- I exchanged it for a
13 plot of land in the Dominican Republic.

14 Q And who is this reference to Ruben?

15 A That was a Mexican guy, Ruben Raygosa Contreras, and at
16 the time he worked for me.

17 Q Have you testified about him before earlier today?

18 A Yes, sir.

19 Q Remind the jury.

20 A Well, yes, since I came to the United States five years
21 ago I have started cooperating with the government and I gave
22 them all of that information.

23 Q Now did you say that this was from the beginning of 2007
24 or just from 2007?

25 A Well, it is from mid 2007 but in the accounting records

CIFUENTES - DIRECT - FELS

1 it says January 2008 --

2 Q I want to point out that at the top of this document --

3 THE COURT: Mr. Fels, you cut the witness off.

4 MR. FELS: I'm sorry.

5 THE COURT: He had more to say.

6 MR. FELS: I apologize.

7 THE WITNESS: Excuse me. I don't even know if this
8 is important but I just wanted to mention that, because I had
9 a special software I created a fictitious company La Granja in
10 2008 and that's why I had to transfer all the information from
11 the previous year to 2008 and it shows how I created it.

12 Q And you see La Granja somewhere on this document?

13 A Yes, sir, on top under Column D.

14 Q Now I want to direct your attention here where I'm
15 underlining in row three it says Moneda Peso Mexicano. Why
16 does it say Peso Mexicano?

17 A Well, these accounting software it's a Mexican product,
18 it's called Compaq and that's why it is in Mexican pesos.
19 However, I could have actually changed it to any currency but
20 we decided to leave it as it was.

21 Q What was it left as?

22 A As if they were Mexican pesos, but in reality all the
23 amounts listed here are in U.S. dollars.

24 Q I want to turn to page 27, we'll focus on line 1164.

25 Entregado a Pangara Solicitud Dell MNR a SMN. What's this?

CIFUENTES - DIRECT - FELS

1 A MNR means Menor and that represents my youngest brother,
2 Alexander Cifuentes. And SMN is Simon, which is me. And this
3 is money that was delivered to Pangara, who was the person in
4 charge of checking the quality of the cocaine that was going
5 to be purchased for Don Joaquin.

6 Q Two lines down from that, 1166, Entregado a Juan Pablo
7 Tarjetas. Who is Juan Pablo?

8 A That is Juan Pablo Londono, the owner of Monedeux.

9 Q What is Tarjetas, what is that?

10 A Well, that's what I was talking to you about before about
11 the debit cards that were the Visa debit cards where we would
12 withdraw the money from the ATMs.

13 Q Moving along. On page 29, lines 1267 and 1268. There is
14 references to a RML and a Goliath, and a Romel and Goliath.

15 What are these entries for?

16 A RML is Alexander Cifuentes and Goliath is Simon Yelenick.
17 And that's the money that Simon Yelenick is receiving, so that
18 he would deliver it to us in Colombia, money that belonged to
19 Joaquin, and Simon Yelenick is actually providing us with the
20 service of bringing the money down for us. And by the way, he
21 would charge us 10 percent.

22 And the person in charge of making the connections
23 and of supervising the operation for Don Joaquin was my
24 brother, Alexander Cifuentes.

25 Q Why did he go by Romel, Alex?

CIFUENTES - DIRECT - FELS

1 A He gave himself that name Romel in order to hide his real
2 name and that was in reference to a German general from the
3 Second World War.

4 Q Let's go to page 33, line 1462. Entrega Romel a Politico
5 en Mex. What's this?

6 A Well, those were \$9 million that Don Joaquin delivered in
7 Mexico City and Alex, that is Romel, was the one who made sure
8 that the money would be delivered to Politico. And Politico
9 was the supplier of cocaine in Ecuador, that was Gilberto
10 Garcia.

11 Q If it came from Don Joaquin, why does it say Romel?

12 A Well, because Romel -- I mean my brother was the person
13 in charge of making the connections with the people, meaning
14 of the deliveries. And then in addition all of that money
15 belonged to Joaquin, there was really no need for us to write
16 the name.

17 Q Turning to page 35, line 1520, 1521. Pago a Carpintero,
18 Pago Bodega a Carpintero XT. What's this?

19 A Carpintero was the Captain Telmo Castro with the
20 Ecuadorian army, and this was the payment that we made to him
21 for moving the cocaine from the San Lorenzo warehouses to
22 those in Quito and Guayaquil. And we had agreed to giving him
23 \$100 for each kilo of cocaine that he would move for us. We
24 also paid him so that he would give us some support once the
25 Go-fast boats would take off with the product to meet up with

CIFUENTES - DIRECT - FELS

1 the Peruvian ship.

2 Q And we have Pago de Salida dated on November 11th, 2008.
3 What's that?

4 A That was an installment for the first operation that we
5 did with six tons of cocaine.

6 Q So, in other words, you actually did ship out the cocaine
7 that you purchased on Don Joaquin Guzman's behalf?

8 A Yes, sir, of course.

9 Q We'll get to that in just a moment.

10 What's this Inventario?

11 A That was amount of cocaine that we had at the time and
12 that was at the warehouses.

13 Q And I want skip ahead to line 1534. One word "Joaquin,"
14 what's that?

15 A When I created these lists of accounts I included Don
16 Joaquin in one of them and, in fact, you know, there is no
17 movement reflected here because since all of the money
18 belonged to him I didn't want to create another record,
19 different entries and create confusion that way.

20 Q What would all the records be on your -- in other words,
21 if you didn't separate it out, what would all the records be
22 under? Let me take that back, I'll strike that.

23 Why didn't you put any entries under Don Joaquin or
24 Joaquin's name?

25 A Because all the money came from Don Joaquin, so I didn't

CIFUENTES - DIRECT - FELS

1 want to end up doing double entry accounting and creating
2 confusion.

3 Q Let's move on to page 58, 2549. It says Nominas Mex.
4 What's this?

5 A These were all the money of the different expenses that
6 the Mexican guys were incurring on and those were the guys
7 that Don Joaquin had sent to me for the operation in Ecuador.

8 Q In line 2554, Cafe Colon, Thomas Autoriza Tio en El
9 Hospital. What's this?

10 A Well, Cafe Colon, Tomas authorizes Tio at the hospital,
11 that's money that Tomas asked me for his expenses for his per
12 diem before he would receive his salary and Don Joaquin
13 actually okayed for me to pay him that and that was at the
14 Cafe Colon at the Guayaquil hospital.

15 Q Again it says Tio, uncle?

16 A Tio, uncle is Don Joaquin Guzman, who was Thomas' uncle.

17 Q We saw that payment record for exit payment, what country
18 was the cocaine sent out from?

19 A From Ecuador.

20 Q And how much cocaine was it?

21 A Six tons.

22 Q And was it successful?

23 A Yes, sir.

24 Q How do you know that?

25 A Well, I confirmed that with Damaso Lopez when they

CIFUENTES - DIRECT - FELS

1 received it, then I confirmed it with Don Joaquin in person.

2 Also with my brother Alex and with Mayo Zambada.

3 Q Where did you go after this shipment of 6,000-kilograms
4 was successfully sent to Mexico?

5 A I went to Mexico.

6 Q For what purpose?

7 A Well, man, so that they would congratulate me for the
8 great job I had just done and also for us to look at the
9 accounts regarding all the expenses that we had incurred in
10 Ecuador.

11 Q Do you remember when you went approximately?

12 A Towards the end of 2008, the last year -- I mean the last
13 month.

14 Q Do you remember the exact date?

15 A I think it was December 30th.

16 Q And how long were you there, do you remember exactly?

17 A I don't remember exactly how much time.

18 Q Is there a document that would refresh your recollection?

19 A Yes, of course, the immigration records.

20 Q And, again, just for the witness only, Government's
21 Exhibit 601. Does this help refresh your recollection as to
22 how long you were in Mexico for?

23 A Yes, sir, around 15 days.

24 Q And so what happened once you got to Mexico, where did
25 you go?

CIFUENTES - DIRECT - FELS

1 A Well, I went to Culiacan, the same routine of that small
2 airplane going to that mountain, landing in an area I believe
3 it's called Cosala between Sinaloa and Durango.

4 Q And who did you meet with?

5 A I met with Don Joaquin, Damaso Lopez, Ismael Zambada,
6 Vicente Zambada, Archivaldo, Joaquin's son, and there were
7 other family members and associates, associates of Joaquin and
8 his project.

9 Q And what did you?

10 THE INTERPRETER: Interpreter correction, of Mayo
11 and his project.

12 Q What did you discuss?

13 A After they congratulated me, there was a meal, they asked
14 me about the costs. So they asked me about the expenses and I
15 told them that the expenses plus the cocaine was 1,035 plus
16 2,000 would be for the cocaine would be 3,035 total.

17 Q \$3,000 per --

18 A Per kilo.

19 Q \$3,035 per kilo?

20 A Yes, sir, that was the cost.

21 Q Now are you aware if Chapo and Mayo sold any of this
22 cocaine that you sent them?

23 A Yes, sir. They sold part of the cocaine right there in
24 Mexico.

25 Q How do you know that?

CIFUENTES - DIRECT - FELS

1 A I saw it, I heard it.

2 Q And do you know who sold the cocaine and for what price?

3 A Yes, I was with Mayo Zambada when he was negotiating with
4 customers right there in Culiacán and El Dorado. He gave it
5 to them for a \$11,000 per kilo.

6 Q Did you actually see any of this cocaine?

7 A I actually tried it.

8 Q Who did you try it with?

9 A Yes, with Mayo. He was doing cocaine and he said, do you
10 want to take a hit of coke, and he said this is some of the
11 stuff that you sent.

12 MR. LICHTMAN: Objection.

13 THE COURT: Overruled.

14 Q So what was Mayo's description of the cocaine that you
15 had brought over from Ecuador?

16 A Well, after we took a hit he said it was good, it wasn't
17 of the best quality but it was commercial quality.

18 Q Now you testified before that all the money you were
19 getting was from Joaquin Guzman. Why is Mayo Zambada selling
20 some of this cocaine?

21 A Because Don Joaquin and Mayo were partners.

22 Q So let's do a little math. You said that the cost to
23 Chapo Guzman for this cocaine was 3,000 per kilo.

24 A 3,035, yes, sir. 3,000 approximately.

25 Q Yes, let's keep it approximate, if that's okay with you.

CIFUENTES - DIRECT - FELS

1 A Okay.

2 Q And you heard that they sold some of it in Mexico for
3 11,000.

4 A That's correct.

5 Q So what did they profit per kilo?

6 A \$8,000 per kilo.

7 Q If they had sold all 6,000 kilograms right there in
8 Mexico, what would they have made?

9 A \$48 million.

10 Q Now do you know whether all of that 6,000-kilograms of
11 cocaine that you arranged to send to Don Joaquin in Ecuador
12 did get sold in Mexico?

13 A No, just a small part of it. The rest was sent to the
14 United States.

15 Q How do you know that?

16 A I saw it and I heard it.

17 Q What did you see and hear?

18 A The arrangements that were being made with the
19 transporter to take the merchandise to Los Angeles, but I
20 don't know at what price they sold it at in LA.

21 Q After you heard this conversation, did you follow up with
22 Chapo Guzman and with Mayo about what you had heard?

23 A Yes, sir. In fact, they mentioned some transports they
24 had to Chicago and also to Canada. What they never gave me
25 was the information of the price they sold the cocaine in the

CIFUENTES - DIRECT - FELS

1 United States.

2 Q Based on your experience as a drug trafficker, would
3 sending the cocaine to Los Angeles, to Canada, to Chicago have
4 increased or decreased their profits compared to selling it in
5 Mexico?

6 A At the very least, the profits would double.

7 Q Now how much did you ultimately -- did you ultimately
8 make on this deal to ship Don Joaquin 6,000 kilograms of
9 cocaine?

10 A Well, in theory I was supposed to get 25 percent of the
11 profits.

12 Q What happened?

13 A Well, they never paid me.

14 Q Now around this same time that you were in Mexico, did
15 you invite a Colombian man to come up to the mountains to meet
16 Chapo Guzman?

17 A Yes, sir.

18 Q What was that person's first name?

19 A I'm not sure if you're referring to the systems engineer.

20 Q What was his first name?

21 A Christian.

22 Q And you said he was a -- what was he, a systems engineer?

23 A Systems engineer and programming.

24 Q How did you come to meet Christian?

25 A My sister Dolly introduced me to him in Quito.

CIFUENTES - DIRECT - FELS

1 Q And what did he do for you?

2 A Well, he installed a whole communications systems on the
3 Internet with cryptography.

4 Q What does that mean?

5 A So that means we could have secure communications by
6 text, voice, data without having the authorities or government
7 see what we were passing through there.

8 Q So why did you introduce Christian to Don Joaquin?

9 A Well, so to extend the service to the location where Don
10 Joaquin was up in the mountains and to integrate the other
11 people in the organization who were in Sinaloa.

12 Q And do you know if Christian did, in fact, set up a
13 communication system for Don Joaquin?

14 A Yes, sir.

15 Q How do you know that?

16 A Because I used it up in the mountains. We had wireless
17 Internet up in the mountains and it was through -- with
18 cryptography.

19 Q Would you when you say cryptography, is that the same
20 think as encrypted?

21 A Yes. The data was protected, they were encrypted.

22 Q Did you have any phone calls with Christian about setting
23 up or fixing problems with Don Joaquin's encrypted system?

24 A Yes, sir. Yes, many times the service would fail and you
25 would have to let the engineer know so that they would get it

CIFUENTES - DIRECT - FELS

1 going again.

2 Q Now, Mr. Cifuentes, were you asked to review some
3 telephone calls and identify the participants on those calls?

4 A Yes, sir.

5 Q And were you able to identify the participants on the
6 calls?

7 A That's correct.

8 Q Showing you what's been marked for identification as
9 Government's Exhibit 606J. Do you recognize anything on this
10 exhibit?

11 A Yes, sir, I recognize my initials and the date that I
12 placed on this disk.

13 Q What is, again, the significance of your initials and the
14 date on Government's Exhibit 606J?

15 A Well, that means that it matches the same disk with the
16 information and the content that I reviewed and looked at.

17 MR. FELS: And, Your Honor, at this point we move to
18 admit Government's Exhibit 606J.

19 MR. LICHTMAN: Judge, I'm just trying to see the
20 date on there.

21 THE COURT: It's like 10/18.

22 MR. LICHTMAN: December 10, '18.

23 THE COURT: Yes.

24 MR. LICHTMAN: No objection.

25 THE COURT: Received.

CIFUENTES - DIRECT - FELS

1 (Government Exhibit 606J, was received in evidence.)

2 BY MR. FELS::

3 Q You have a binder and all the jury has binders for
4 exhibits which are already I believe in evidence. GX606I-3AT
5 through 3DT and 3FT through 3HT.

6 Mr. Cifuentes, you have a binder there in front of
7 you?

8 A Yes, sir.

9 Q Do you recognize what these documents are?

10 A Yes, sir.

11 Q What are they?

12 A They're the transcripts of the phone calls.

13 Q What, if anything, were you asked to do with respect to
14 Government's Exhibit 606I-3AT through 3DT, 3FT through 3HT?

15 A I was asked to listen to the phone calls and to verify
16 that the transcription translation were correct. And also to
17 identify the people who participated in the conversations.

18 Q You said the translation, did you do the translations or
19 just the transcriptions?

20 A The transcriptions, I'm sorry.

21 Q Now before we start playing these calls on Government's
22 Exhibit 606 Jota, J, were you cooperating with the government
23 at the time that these calls were recorded?

24 A No, sir.

25 Q Do you know how these calls came to be recorded?

CIFUENTES - DIRECT - FELS

1 A I have no idea.

2 MR. FELS: We'll play at this point, Your Honor,
3 606I3A just a portion of this clip, and it's on page 2.

4 (Audiotape played.)

5 (Audiotape stopped.)

6 Q Who is talking in this call?

7 A Christian "Ingeniero," the engineer, and myself.

8 Q What's the date of this call?

9 A The call, I don't know I have to look. September 4,
10 2010.

11 Q Now in this call Christian is saying, Don Jorge, your
12 brother is very upset with me. That's line 4.

13 A That's correct.

14 Q Who is he talking about, "your brother"?

15 A Alexander Cifuentes.

16 Q Where is Alex at this time?

17 A With Don Joaquin in the mountains.

18 Q And Christian goes on to say, he says that it's my fault
19 there is no communication. What is he talking about there?

20 A It meant that the encryption system over the Internet was
21 out of service.

22 Q Now what's your reaction in this call?

23 A Well, I said it was his fault because he was in charge of
24 the system always working.

25 Q And what's the significance of the system not working?

CIFUENTES - DIRECT - FELS

1 A Well, if the system fails then all members of the group
2 are now communicating in an insecure way and we're now having
3 to use conventional phones that don't have any security.

4 Q Well you said the group, who is the group?

5 A Don Joaquin, his people, the people we have in Ecuador,
6 all of us, all the people who are participating in this drug
7 trafficking.

8 Q Sir, were you aware how many users were on this encrypted
9 system?

10 A Yes, sir, more than a hundred.

11 Q Now you said Christian -- you had a nickname of
12 "ingeniero" or engineer?

13 A Yes, sir. Engineer.

14 Q Did he have some sort of other nickname?

15 A Christian Ingeniero.

16 Q Let me show you Government's Exhibit 301A, lines 1172 and
17 1173.

18 What is this? Pago a Sistemas, CHK.

19 A These are payments made to Christian the engineer, the
20 systems engineer.

21 Q Who made these payments?

22 A I did personally.

23 Q How do you know that?

24 A Because I remember. Plus it's in the entry. We have it
25 recorded whoever did it.

CIFUENTES - DIRECT - FELS

1 Q I'm going to show you right next to it you have SMN right
2 next to that payment. What does that signify?

3 A Simon, and that's me.

4 Q Now I want to show you that these payments were made in
5 April of 2008. If you introduced Christian to Joaquin Guzman
6 in December 2008, how were these payments here in April 2008?

7 A Because Christian was already working with us. He
8 already installed the platform for us and Don Joaquin, when he
9 saw how effective the system was, he asked to meet the person,
10 he wanted to have the system installed up in the mountains and
11 have it connected to us.

12 Q Let's talk a little bit about some issues that you had
13 with bribery as a drug dealer. Did you ever obtain
14 information from Colombian authorities about an ongoing
15 criminal investigation?

16 A Yes, sir.

17 Q Can you tell the jury about that.

18 A Well I don't know if you're referring to the time in 2010
19 when there was an Navy intelligence officer.

20 Q What happened?

21 A And that officer gave me a USB with a lot of information
22 where you could see evidence, recordings regarding my drug
23 trafficking activities and that was actually recorded by the
24 Colombian government together with the American government
25 through the DEA.

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1 Q What did you do with this information?

2 A Well, I tracked a few of the data, I mean there was so
3 much, and so then I suggested to the officer to receive
4 \$10 million and then to help me finish and close that
5 investigation right there.

6 Q Let me be clear, you tried to bribe the official by
7 giving him \$10 million, correct?

8 A Yes, sir, that's correct.

9 Q Now was this successful, your bribery attempt?

10 A No, sir, the officer refused. He said that he could not
11 do it. And he said that, anyway, that information was already
12 in the hands of the American government and that he couldn't
13 receive any money from me either otherwise he was going to get
14 killed.

15 Q So was this investigation into you and your family
16 stopped?

17 A No, sir, that's why I'm here.

18 Q Did you try to destroy the official's information, the
19 person the Marine's information?

20 A No, he did allow me to place the USB on to my computer
21 and to look at the information there to see the information
22 and he kept the USB. I pulled out the hard drive from my
23 computer and I destroyed it so that there would not be any
24 information left in the RAM memory or the temporary memory.

25 Q Now did this meeting with this corrupt Colombian official

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1 cause you to do something about evidence that could tie you
2 with crimes?

3 A Yes, sir, I did destroy all of the evidence that I had in
4 my power. I also gave the order to all of the people who were
5 working with me to destroy all of the accounting records on
6 all of their computers, but it seems we were really not too
7 efficient.

8 Q What do you mean by that?

9 A Well, this is part of the information.

10 Q Do you know how the government got in custody of that
11 information?

12 A I have no clue.

13 Q Besides bribing officials to get information about
14 investigations into you, were you involved in other forms of
15 bribery in your role as a drug dealer.

16 Let me make sure --

17 A I don't know exactly what you're referring to, but yeah.

18 Q Let me shorten it. Did you bribe other people in your
19 drug dealing business?

20 A Yes, sir.

21 Q Give us some examples.

22 A Well, I bribed an officer with the DIAN in order to avoid
23 taxes.

24 Q What is the DIAN?

25 A That is the equivalent to the IRS. I bribed Colombian

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1 officers in order to remove my fingerprint record from the
2 civil registry and to place different fingerprints.

3 In 1984, I was in jail in Colombia and I made sure
4 that all the records that that actually happened were
5 destroyed.

6 Q And I want to go back to your bribery of the tax
7 official. What's the tax bill that you were seeking to evade?

8 A Well, I sold a property in Medellin and then there was
9 sale tax of 3.8 billion pesos.

10 Q What is that -- I'm sorry.

11 A That's the equivalent to \$2.2 million. And I made it
12 seem that the property had been sold to somebody else and then
13 I did that in order to avoid paying those taxes.

14 Q Did you also pay bribes in connection with your drug
15 trafficking?

16 A Yes, sir.

17 Q For what purpose?

18 A To hide my activities or to successfully send my cocaine
19 shipments.

20 Q So can you give us some examples in what we've talked
21 about so far about the bribery that you paid in order to allow
22 yourself to be successful in sending drugs?

23 A Well, for example, we were paying the Ecuadorian army
24 that was through Captain Castro. We were also paying the
25 officers who controlled the control tower in Manta so that

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1 they could share information with us as to the location of the
2 American authorities. Mostly, the Navy that was controlling
3 the area right outside of Ecuador.

4 Q So let's talk about -- you sent one successful load of
5 6,000 kilograms to cocaine to Chapo Guzman, was there another
6 attempt to send cocaine to Chapo Guzman from Ecuador?

7 A Yes, sir, I did send him another six tons.

8 Q Do you know approximately when that was?

9 A Beginning of January, 2009.

10 Q I'm going to show you what's already in evidence as
11 Government's Exhibit 301B, lines 47 through 61. Ranging from
12 December 26th, 2008 to January 19th, 2009.

13 What are these entries?

14 A Here we have several entries. One is for the payment of
15 Gilberto Garcia for the payment of the cocaine.

16 Q Again, who is Gilberto Garcia?

17 A Well, Gilberto Garcia alias Politico, alias Serpa, alias
18 Pastrana for the payment of the cocaine --

19 THE INTERPRETER: The supplier of the cocaine,
20 interpreter correction.

21 Q We're going to turn to page 3, line 165. Salida Segunda
22 Ronda, what's that?

23 A Exit second round. That means the second shipment of
24 six tons to Don Joaquin.

25 Q You notice there is an entry here for Marinos, line 169,

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1 payment of 200,000. What's this?

2 A Well, that's \$200,000 that were paid to the Ecuadorian
3 Navy so that they would give us information and for also them
4 to be on the lookout and give us information as to the
5 location of the American Navy.

6 Q And did they do that?

7 A Yes, sir.

8 Q Line 171, Carpintero, who is that?

9 A Captain Telmo Castro from the Ecuadorian army.

10 (Continued on the next page.)
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1 BY MR. FELS::

2 Q Now you testified earlier that you were paying him \$100
3 to move your cocaine, the cocaine you were bringing to Don
4 Joaquin Guzman?

5 A Yes, sir, 100 kilos (sic) per kilo.

6 Q There is a payment of \$600,000, what is the significance
7 of that?

8 A That is the movement, that was 6 tons of cocaine, meaning
9 6,000 kilos of cocaine at \$100 per kilo.

10 Q This line 172, which I'll ask the interpreter to read.

11 THE INTERPRETER: Fine, Saturday, January 11, 2009,
12 seaman, Saturday, that it did not leave.

13 Q Did you understand?

14 A Yes. The fine on Saturday, January 11, that means that
15 the Ecuadorian Navy did not know where the American Navy was
16 when we were about to do the operation.

17 THE INTERPRETER: Correction, that the Ecuadorian
18 Navy knew where the American Navy was?

19 A So they gave me information in order for us to finish,
20 stop the operation.

21 Q So you're saying you got information from the Ecuadorian
22 Navy that the Americans were there?

23 A That's correct.

24 Q What did you do with that information?

25 A I stopped, I canceled that operation. And I told Don

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1 Joaquin right away.

2 Q What did Don Joaquin tell you?

3 A He told me that it didn't matter, for me to try to get
4 the cocaine out. I told him we were going to lose it. He
5 said that it didn't matter. And he asked me, well, you do not
6 have the cocaine actually?

7 Q So he accused you of not actually having the cocaine?

8 A That's right; he mistrusted me.

9 Q So what happened?

10 A When I told him that we were going to lose it he said
11 that he was just going to be responsible for it if it did get
12 lost. That meant that even if it were lost he would still pay
13 me my 25 percent from the profit. When he started telling me
14 that in that way, I just gave the order to Milton Ramirez and
15 to my nephew, Jaime Alberto Roll. And I told them, it doesn't
16 matter if the Americans are right in front of you, just go
17 ahead and deliver the cocaine.

18 Q Did Jaime and Milton follow your directions?

19 A Yes, sir.

20 Q What happened to the 6,000 kilograms of cocaine sent out
21 from Ecuador?

22 A Yes, sir, the go-fast boats took off and they delivered
23 the product to the Peruvian boat, the cocaine that is.

24 Q How do you know that?

25 A They reported right away, right after they got back from

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1 the ocean. And I reported to Don Joaquin that the shipment
2 had been delivered. And in the beginning we were all happy.

3 Q But then what happened?

4 A But then three days later, then there was the news and
5 they were reporting on the fact that a Peruvian ship had been
6 seized with 6 tons of cocaine that was hidden amongst the
7 sharks. And that it had been captured by the U.S. Navy just
8 like I had told Don Joaquin.

9 Q And so who did you inform of this news?

10 A Don Joaquin.

11 Q Where did you go upon hearing that this shipment was not
12 successful?

13 A Well, you know, after organizing a few things in Ecuador
14 and then after making sure that that investigation wasn't
15 going to focus on me, I traveled to Mexico to meet up with Don
16 Joaquin.

17 Q Showing you, do you remember the exact date that you
18 traveled to Mexico?

19 A No, sir.

20 Q Do you know which year?

21 A Yes, 2009, in the beginning, maybe around February 2009.

22 Q Do you know the exact date?

23 A No, sir.

24 Q Approximately how long did you stay in Mexico?

25 A I was there for approximately three weeks.

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1 Q You don't remember the exact date that you went?

2 A No, sir.

3 Q Would showing you a document refresh your recollection?

4 A Yes, sir, the immigration records.

5 Q Showing what is marked Government's Exhibit 801, just the
6 witness. You said you were traveling for about three weeks;
7 is that correct?

8 A Yes, sir.

9 Q Does this refresh your recollection as to the time that
10 you went from Colombia and the time you came back to Colombia
11 and what cities you traveled through?

12 A Yes, sir, perfectly well. March, I traveled through
13 Panama, March 10, and I connected to Mexico.

14 Q Then when you came back from Mexico what city did you
15 travel to first?

16 THE COURT: Mr. Fels, if you anticipate other
17 occasions when he needs his recollection refreshed with that
18 document, why don't you leave the document up on the stand and
19 then you can simply ask him will the Immigration records
20 refresh your recollection, pull it out, and we'll get it.

21 MR. FELS: Thank you. I think there might only one
22 more time.

23 THE COURT: Then it doesn't matter. It was a good
24 idea too late.

25 Q Does that document refresh your recollection what city

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1 you went to back from Mexico to Colombia?

2 A On my way back to Colombia?

3 Q Correct.

4 A When I came back in April I came through Madrid, Spain.

5 Q What were you doing in Madrid?

6 A Taking care of something having to do with one of my
7 Mom's properties in Madrid. I also went to Amsterdam to have
8 a meeting with some of Shimon Yelinek's people.

9 Q You were in Mexico for three weeks?

10 A Yes, sir.

11 Q What were you doing at this point in Mexico?

12 A Well, I went and had a meeting with Don Joaquin. I
13 actually stayed up in the mountains with him for a long time.
14 My brother Alex was not doing well, health-wise, so he took
15 advantage and went down the mountain to get medical help and I
16 stayed with Don Joaquin.

17 Q Now this time that you were up there for several weeks
18 with Don Joaquin up in the mountains, did Don Joaquin
19 introduce you to some individuals?

20 A Yes, sir.

21 Q Who?

22 A Well he introduced me to Don Chuy Jimenez.

23 Q Let's talk about that. Why did Chapo introduce you to
24 Don Chuy Jimenez?

25 A Don Chuy Jimenez managed an air company for Don Joaquin.

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1 It was called Aeropostal in Mexico.

2 Q You say in Mexico, where in Mexico?

3 A Mexico City.

4 Q Again, why did he want you to get involved? Why did Don
5 Joaquin Guzman want you to get involved?

6 A The company has a DC-8. He wanted me to fill it up with
7 cocaine from Bogota to Mexico.

8 Q Did Chapo Guzman explain to you whether he and Don Chuy
9 Jimenez had done this in the past?

10 A Yes, sir, he said on two occasions.

11 Q What was the amount of cocaine?

12 A Well, on the first occasion he said it was 3 tons and on
13 the second occasion it was around 5 tons.

14 Q What was the route of this flight on the DC-8?

15 A It left the El Dorado Airport in Bogota and went to
16 Benito Juarez Airport in Mexico City.

17 Q Who did Chapo Guzman say had sent them the cocaine in the
18 past?

19 A Raul Jimenez.

20 Q Do you know Raul Jimenez yourself?

21 A Yes, sir.

22 Q And what role did Raul Jimenez play in drug trafficking?

23 A Raul Jimenez has a catering company at the Eldorado
24 Airport in Bogota. He provides service to several of the
25 airlines, American Airlines, Copa, et cetera. And this

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1 company had the ability to introduce the cocaine into the
2 Aeropostal DC-8 that Don Joaquin had.

3 Q Do you know who -- you talked about Vicente Zambada
4 before?

5 A Yes, sir.

6 Q Do you know who his uncle is?

7 A Well, yes, he has several uncles.

8 Q Do you know what the names of any of his uncles?

9 A Rey Zambada.

10 Q Have you ever met him?

11 A No, sir.

12 Q You said there were other people that Don Joaquin
13 introduced you to while you were up in Mexico for a few weeks,
14 who else?

15 A Well, yes, he introduced me to Enrique, he was a Mexican
16 who had operations in Honduras.

17 Q And what did Joaquin Guzman say that Enrique did for him?

18 A He was in charge of shipping cocaine from Central America
19 to Mexico for him. Plus Enrique was a partner. He had a
20 share in the cocaine that was sent from Ecuador.

21 Q Did you know that before? Did you know that before he
22 began receiving the money from Don Joaquin?

23 A No, sir.

24 Q I'm going to show you what is marked for identification
25 purposes Government's Exhibit 55, just for the witness. Do

CIFUENTES - DIRECT - FELS

1 you recognize who is being depicted in Government's Exhibit
2 55?

3 A Yes, that's the person I was mentioning, Enrique.

4 MR. FELS: Seek to introduce Government's Exhibit 55
5 and publish.

6 MR. LICHTMAN: No objection.

7 THE COURT: Received.

8 (Government Exhibit 55, was received in evidence.)

9 Q Do you know, Mr. Cifuentes, if Enrique is his real name?

10 A I know it's not his real name but I don't know his real
11 name.

12 Q You met this Enrique through Joaquin Guzman, what did the
13 three of you talk about?

14 A Well, that's when I find out that his share is 2 tons of
15 the cocaine that is picked up in Ecuador. We talked about a
16 way to get cocaine to Honduras where he has control, he's
17 managing it. We analyzed doing it by air, by sea. Enrique
18 proposes to buy a passenger cruise ship.

19 Q Did this ever happen to your knowledge, that Enrique and
20 Don Joaquin bought a passenger cruise ship?

21 A No, sir, they didn't purchase it.

22 Q Let's talk about what else you did in the few weeks that
23 you were with Don Joaquin up in the mountains. Did you have
24 any discussions with Don Joaquin Guzman at that time about any
25 drugs other than cocaine?

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1 A Yes. One day we were chatting and there was an explosion
2 nearby. And he explained that they were processing
3 methamphetamine. And they had moved the lab to the upper
4 camp.

5 Q Did Don Joaquin Guzman show you something?

6 A Yes, sir, he showed me the crystal meth, the ice.

7 Q You said ice, what is ice?

8 A Ice is a drug that comes from ephedrine, I think they
9 call it, I think it's methamphetamine.

10 Q Who used that term ice?

11 A Don Joaquin.

12 Q So why is he talking to you about and showing you this
13 methamphetamine that he's made in his labs?

14 MR. LICHTMAN: Objection.

15 THE COURT: Sustained. Rephrase it.

16 Q Why is he having this conversation with you?

17 MR. LICHTMAN: Objection.

18 THE COURT: Sustained.

19 Q Did he talk to you and ask you to do something for him
20 with respect to --

21 MR. LICHTMAN: Objection. Leading.

22 THE COURT: Overruled.

23 A He wanted me to get him ephedrine.

24 Q What was your response?

25 A I said no. I wasn't interested in helping him out with

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1 that type of drug.

2 Q Why not?

3 A It's a very harmful drug that young people are using,
4 adolescents.

5 Q Did you change your mind at some later point?

6 A Yes, sir.

7 Q You were ever able to obtain any chemicals for to make
8 methamphetamine?

9 A No, sir.

10 Q What about your family?

11 A Yes, I learned that my sister, Dolly, and my brother,
12 Alex, somehow got him ephedrine.

13 Q When you say him, who is him?

14 A Don Joaquin.

15 Q Now during this time that you're up in the mountains with
16 Don Joaquin, did you use any drugs yourself in front of Don
17 Joaquin?

18 A Yes, sir.

19 Q What?

20 A Well, yes, there was marijuana farm there, a crop, and I
21 made myself a joint.

22 Q Did you smoke it?

23 A Yes, sir, I was smoking the joint in front of Don
24 Joaquin. And he says, hey, how does that make you feel? And
25 I said, try it. And he smoked it. And he said this does

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1 nothing for me.

2 Q Did it have an effect on you?

3 A Well, it calms me.

4 Q Have you been at meetings with Don Joaquin and others
5 while under the influence of drugs?

6 A Yes, sir, on one occasion with Mayo Zambada.

7 Q What were you under the influence of?

8 A Cocaine.

9 Q How much cocaine did you consume during this time frame?

10 A I'm not a cocaine user really, but it was normal in
11 Mexico. They offer you a pass, a hit of cocaine, and you use
12 it. It really doesn't make me feel -- it doesn't effect me at
13 all.

14 Q What about marijuana, how often did you use marijuana?

15 A I did use marijuana frequently.

16 Q How frequently?

17 A Every week.

18 Q How did smoking --

19 A Weekly.

20 Q How did smoking marijuana effect your perception or
21 memory of all these events?

22 A Not at all.

23 THE COURT: Sometime in the next five minutes.

24 MR. FELS: This is the perfect time, your Honor.

25 THE COURT: We'll take our afternoon break. We'll

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1 resume at 3:25 p.m.

2 (Jury exits.)

3 Mr. Fels are you still on track if we start 3:25,
4 3:30?

5 MR. FELS: I --

6 THE COURT: Say yes.

7 MR. FELS: I'm moving as fast as I can. I may be a
8 little into tomorrow.

9 THE COURT: Okay.

10 (Brief recess.)

11 THE COURT: Let's have the jury please.

12 (Jury enters.)

13 THE COURT: Be seated. Please continue, Mr. Fels.

14 BY MR. FELS::

15 Q You talked about the successful 6,000-kilogram cocaine
16 load to Don Joaquin in 2008, the unsuccessful one in the
17 beginning part of 2009, was there a third load of cocaine that
18 you planned to send to Don Joaquin Guzman in 2009?

19 A Yes, sir.

20 Q How much was that shipment of cocaine supposed to be?

21 A 8 tons.

22 Q Were you able to buy all 8 tons at the same time?

23 A No, sir.

24 Q Was there a point where you only had 6 tons?

25 A 6.5 tons approximately.

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1 Q At this point what did Don Joaquin want to do to confirm
2 that you already had purchased the cocaine with his money?

3 A He sent Tomas over so that he would verify in the cocaine
4 was complete.

5 Q The same Tomas that you were talking about before?

6 A Yes, sir, Don Joaquin's nephew.

7 Q Did you have someone meet Tomas in Ecuador to show Tomas
8 cocaine that you had purchased?

9 A Yes, sir, with my nephew, Jaime Alberto Roll.

10 Q Showing you Government's Exhibit GX703B-14, Jaime Alberto
11 Roll and Tomas?

12 A That's correct, Jaime Alberto Roll Cifuentes and Tomas,
13 Don Joaquin's nephew.

14 Q Did have you a conversation with Jaime Roll what Jaime
15 Roll should do given that Don Joaquin had asked for 8 tons and
16 you only had six-and-a-half?

17 A Yes, sir. Just because Don Joaquin kept insisting, I
18 actually told Jaime Alberto Roll to show him the cocaine
19 twice, part of the same cocaine twice.

20 Q To make it appear like you had eight when you didn't in
21 fact have eight?

22 A That's right yes, sir.

23 Q Why did you do this? Why did you ask Jaime Roll to do
24 this?

25 A Well, because the Peruvian ship was already on the way,

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1 that's what Tomas had confirmed, the operation was already on
2 schedule. And I wanted to get those 6.5 tons out of the way
3 for them to be delivered to the ship right away. But Joaquin
4 kept insisting that I needed to complete the 8,000 kilos
5 because of the prior commitments he had. And I was afraid
6 that we would lose that merchandise.

7 Q Were you trying to cheat Joaquin Guzman out of the
8 cocaine that he had purchased?

9 A Well, no, sir. Because whenever he would receive the
10 cocaine he would know how much he got. I was just trying for
11 us not to lose the opportunity because the ship, the Peruvian
12 ship, that had already sailed.

13 Q Why didn't you just tell Joaquin Guzman I'm going to send
14 these six-and-a-half, I don't have the eight. Why didn't you
15 just tell him that?

16 A I told him, but he wanted me to complete the 8 tons. And
17 my fear was for that merchandise to get lost. And he had
18 already made me lose the 6 tons on the prior shipment because
19 he was really capricious.

20 THE COURT: Mr. Fels, you got to get where you're
21 going with this or you're not going to, okay.

22 Q I'll move on.

23 Did Jaime Roll agree with your plan to show Tomas
24 the cocaine twice?

25 A No, sir.

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1 DIRECT EXAMINATION

2 BY MR. FELS::

3 Q So what did you and Jaime Roll agree to do with the six
4 and a half tons of the cocaine?

5 A We showed Tomas whatever we had at the warehouses in
6 Quito and Guayaquil, he reported that he had seen them and he
7 told Don Joaquin that he had seen the merchandise.

8 Q Now are you aware of an allegation that you ordered real
9 bricks instead of cocaine bricks to be placed in the sacks
10 that were shown to Tomas?

11 A That's not true.

12 Q You never tried to do that?

13 A Never. I tried showing him part of the merchandise
14 twice.

15 Q Now you said that Jaime Alberto Roll did, in fact, show
16 Tomas what he had, correct?

17 A That's correct, yes, sir.

18 Q He didn't ultimately go through with your suggestion of
19 showing the same cocaine twice?

20 A No, sir, no, he didn't accept that.

21 Q Did you review a call recently in which Jaime talks about
22 showing the cocaine to Tomas?

23 A Yes, sir.

24 Q I'd ask the jury -- we've got another transcript,
25 transcript binder. It's 606I-3BT. Just at the start of the

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1 call, page 2.

2 (Audiotape played.)

3 MR. FELS: Stop there.

4 (Audiotape stopped.)

5 Q Sir, do you recognize the voice on this call?

6 A Yes, sir, that's my nephew Jaime Alberto Roll and my
7 sister, Lucia Cifuentes, his mother.

8 Q And in line number five Jaime says, the man, well, said
9 that he talked with that Jota.

10 Who is Jota?

11 A That's me.

12 Q And he goes on in line 7 to say he placed them there. He
13 said no, that he was going to help with Tio so the man could
14 relax. Who is Tio?

15 A Don Joaquin.

16 Q And he says that he was going to talk to him. Who are
17 the "hes" talking to him?

18 A His nephew, Tomas.

19 Q Was going to talk to who?

20 A With Don Joaquin.

21 Q And that he had already counted the other, either way
22 they are still missing, but at least to count to let him know
23 what was there.

24 What is Jaime Alberto Roll talking about there?

25 A He's saying that Tomas already checked all of the cocaine

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1 that we had in the warehouse in Quito and the warehouse in
2 Guayaquil and that we were missing some quantity in order for
3 us to complete the 8,000 kilos and that for at least he had
4 already seen what we had.

5 Q Now when you able to send that cocaine out when the
6 Peruvian boat was passing?

7 A No, sir, Don Joaquin did not allow me to do that.

8 Q Did you get more cocaine to add to the six and a half
9 tons that you already had obtained?

10 A Yes, sir, there was cocaine on the way. And Don Joaquin
11 gave us more money so that we could complete the 8,000 tons --
12 I mean the 8,000 kilos.

13 Q What happened to all this cocaine, the 8,000 kilos that
14 you had bought on Don Joaquin's account?

15 A They were lost just like I had thought that they would be
16 lost.

17 Q Whose decision was it to wait for all eight tons?

18 A Don Joaquin's.

19 Q Now how did you learn -- you said that they were lost.
20 How did you learn that they were lost?

21 A Well, Milton Martinez he called me and he reported to me
22 that we had had -- that the cocaine fell through, that they
23 had gotten to the warehouses in Quito and Guayaquil. I also
24 confirmed this with Jaime Alberto Roll, and then I pretty much
25 saw it firsthand, I saw it, I watched the news.

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1 Q Were you concerned about some connection to your family
2 that might be found in the evidence of the seizures?

3 A Yes, sir. Jaime Alberto made the mistake of having
4 warehouses on his name.

5 Q Did you have a conversation with some other family
6 members once you heard about the loss of this eight tons of
7 cocaine?

8 A Yes, sir.

9 Q We'll play a clip from 606I-3CT, which should be the next
10 transcript, the next binder.

11 First of all, who is talking on this call?

12 A Should I listen first or --

13 Q Sure. Have you heard this call before?

14 A Yes, sir.

15 Q We'll make it a surprise, we'll listen to it first.

16 We'll play clip three minutes and 30 seconds to four
17 minutes and 23. I'd ask every one to turn to page 6. It's
18 going to be line 48.

19 (Audiotape played.)

20 MR. FELS: All right. We'll stop there.

21 (Audiotape stopped.)

22 Q What happened right at the end of that call? Your
23 mother --

24 A Well, you know, the call got cut off but I was talking to
25 my mother Carlina, it was me talking to my mom Carlina.

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1 Q Let's go back to page 6. On line 49 your mother says, it
2 was a total loss. What's she talking about?

3 A She's talking about the eight tons that were lost in
4 Ecuador, that they were all lost.

5 Q Again, just so it's clear, do you remember where
6 specifically they were seized, the eight tons?

7 A Well, yes, in the beginning the Ecuadorian army seized
8 300 kilos in Esmeraldas, and then Telmo Castro and then there
9 was this interrogation and one of the soldiers that was
10 together with Telmo Castro said he did know where there was
11 more cocaine. And Jaime Alberto Roll had made the mistake of
12 bringing them directly to the warehouse where we received the
13 cocaine and so that's why they knew.

14 Q Do you remember where those warehouses were located?

15 A Yes, sir, one in Quito and the other one in Guayaquil.

16 Q Let's go on to line number 50 back on this call. You
17 say, on one hand that's very good because the whole contract
18 is canceled because there is absolutely nothing left.

19 What did you mean by that?

20 A Well, that it would be more complicated if there had been
21 some cocaine left in Ecuador because if that were the case we
22 would have to figure out how to recover it and that would
23 endanger us. So at the end of the day, looking at it from the
24 bright side, it was great that everything was lost.

25 Q Well, you go on to say, And there it's determined where

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1 responsibility lies. What's that mean?

2 A Well after a loss of cocaine you have to investigate, you
3 have to get the reports from the army or from the police in
4 order to see where the investigation starts and who has the
5 responsibility. And the one responsible for that must pay for
6 it.

7 Q So we'll skip ahead. You go on page line 59 -- sorry,
8 line 59, page 6, I apologize.

9 THE INTERPRETER: I'm sorry, Counsel, there is no
10 line 59.

11 Q I'm sorry, line 52. You say: I'm not going to do that
12 anymore. Just the thing about the foundation.

13 A Well after that, I mean after two failures, the one with
14 six tons, the eight-ton ones I didn't want to know any more
15 about drug trafficking with Don Joaquin. And I wanted to then
16 devote myself to the foundation I had started with the
17 indigenous people in the Colombian Amazon, which was related
18 to the climate change.

19 Q What was this foundation?

20 A This foundation was conducting an investigation
21 certification of all the carbon certificates.

22 MR. LICHTMAN: Judge may we approach?

23 THE COURT: Yes.

24 (Sidebar conference.)

25 (Continued on the next page.)

SIDEBAR CONFERENCE

1 MR. LICHTMAN: I'm concerned at this point because
2 now he's rehabilitating him before he's been impeached. Now
3 he's become the green champion.

4 THE COURT: If you would have objected, I would have
5 sustained.

6 MR. LICHTMAN: I didn't get it until he started.

7 THE COURT: You are bolstering his character.

8 MR. FELS: I'm taking out the sting because he used
9 this foundation --

10 THE COURT: I didn't hear.

11 MR. FELS: I'm taking out the sting because he used
12 this foundation he was trying to set it up to launder money.

13 MR. LICHTMAN: Oh.

14 THE COURT: Oh. Objection overruled.

15 MR. LICHTMAN: Thank you.

16 (End of sidebar conference.)

17 (Continued on the next page.)
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1 (In open court.)

2 MR. FELS: Permission to lead slightly?

3 THE COURT: Yes, sure.

4 BY MR. FELS::

5 Q You didn't have completely noble motives with this carbon
6 foundation, did you?

7 A That's correct, yes, sir.

8 Q What were you trying to do besides save the environment?

9 A Well, to sell the bonds and to create an investment fund,
10 and then, you know, all the contracts that we had to sign in
11 order to protect the jungle, I was going to adjudicate those
12 contracts to my company so that they would be in charge of
13 that and that is considered as corruption because there should
14 be an RFP prior to that.

15 Q Were you trying -- how much money were you trying to push
16 through this foundation?

17 A Well, this was a project that included 7 million hectares
18 from the Amazon area, and that was approximately 500 to
19 \$1.5 billion.

20 Q You were basically trying to engage in a bribery scheme?
21 You were self-dealing?

22 THE INTERPRETER: I'm sorry, the interpreter didn't
23 hear that.

24 Q Self-dealing.

25 A Yes, sir, that's true.

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1 Q Did you ever make any money off of this foundation?

2 A No, sir, actually I lost money.

3 Q Now you talked in this call about finding the
4 responsible -- where the responsibility lies. Did you ever
5 have any conversations with Joaquin Guzman about finding the
6 responsible party?

7 A Yes, sir.

8 Q What did Joaquin Guzman want you to do?

9 A He wanted me to kidnap Politico, Serpa that is, because
10 he thought that he was responsible for that loss. And, in
11 fact, he's right.

12 Q And what was your response?

13 A Well, at the beginning I refused but then later on I
14 accepted.

15 Q What did you do with Politico in a plot to get him
16 kidnapped?

17 A Well, I spoke to him on the phone, I was really nice with
18 him on the phone, I was trying to sweeten things up for him so
19 he would let me know the location as to where he was.

20 Q And what were you going to do with that information?

21 A Well, Don Joaquin had given me the number for some people
22 who were then going to be in charge of taking him, so I would
23 then give that information to those people.

24 Q To the best of your knowledge, was Politico ever
25 kidnapped?

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1 A No, sir.

2 Q Was there a time in 2009 before the seizure of the
3 eight tons of cocaine that you were asked to pick something up
4 in Colombia?

5 A Yes, sir. Don Joaquin asked me to go pick up 225 kilos
6 in Bogota close to the El Dorado airport. The intention was
7 to complete those eight tons.

8 Q So what did you do?

9 A They were picked up, I gave instructions to my nephew,
10 Jaime Alberto, for him to pick them up.

11 Q Did he do it?

12 A Yes, sir.

13 Q And what happened to those 225 kilograms of cocaine?

14 A Well, Jaime Alberto kept them.

15 Q Did you have a follow-up conversation with one of your
16 family members about the fact that Jaime Alberto had kept the
17 225 kilograms of Don Joaquin Guzman's cocaine?

18 A Yes, sir.

19 Q The next call in the transcript binder, 606I-3D, as in
20 dog, T. Start the clip at three minutes 17 seconds. So it
21 will be page 6 right at the top.

22 (Audiotape played.)

23 (Audiotape stopped.)

24 BY MR. FELS::

25 Q Okay. Who is this call between?

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1 A My sister Dolly and me.

2 Q Going back to line 33, page 6. Dolly says: I am looking
3 for JR, I have not been able to find him. Who is JR?

4 A Jaime Alberto Roll, my nephew.

5 Q Going a little bit further on, right at the end of this
6 paragraph, I need to find him by myself because my mom is
7 asking me why. It's about two-thirds of the way down. I told
8 her because that is his, why are you asking me why for.

9 THE INTERPRETER: Sorry, the interpreter's eyes are
10 not as good as they used to be.

11 Q So what's going on there?

12 A My sister Dolly, on Alexander Cifuentes' request, is
13 looking for Don Joaquin's 225 kilos that Jaime Alberto Roll
14 has. But then she gets into a conflict with my mother and
15 Lucia, Jaime Alberto's mother, because they are saying why
16 look for those 225 kilos if we're going to lose them anyway.

17 Q And you say on line 34, that's not mine, it's not his
18 either, it's Don Joaquin's.

19 A So, yes, when they are -- when they're saying they're
20 going to be lost, I'm saying well, that's not a problem, it's
21 not even mine, it's not even Alex's, it's Don Joaquin's.

22 Q And Dolly says on page 7, that's Don Joaquin's and it's
23 actually Alex's. You say it belongs to Alex, yes. And Dolly
24 says, My mom yesterday and my mom -- it's that Alex, that's
25 not even Jota's that's belongs to Alex and Alex is the one who

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1 has me helping him find it.

2 Can you explain this exchange?

3 A Well, first Dolly says, yes, it's Don Joaquin's, and well
4 she's like, well, it's really Alex's. And I said, well, yeah,
5 it's really Alex's because Alex is responsible for the
6 merchandise according to Don Joaquin.

7 And the other is more the same that it doesn't
8 belong to Jota, J, which is me, it belongs to Alex and he's
9 the one responsible for that cocaine in the eyes of Don
10 Joaquin.

11 Q Were you aware at the time that you're making this call
12 that you were being recorded?

13 A No, sir.

14 Q Do you know what happened to this 225 kilograms of
15 cocaine?

16 A Jaime Alberto Roll stole them. Well his argument was
17 that he was owed money for the job he had done.

18 Q Now before we get any further I want to talk to you a
19 little bit about these calls we've just been listening to.
20 Were these calls on the encrypted system that you described
21 earlier or the unencrypted system?

22 A No, these are conventional phone calls because actually
23 the encrypted system had failed.

24 Q Now was there a particular way that you could pass code
25 or numbers in code to your other family members using this

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1 unencrypted system?

2 A Well something simple. Let's say this is the question,
3 all the numbers have to lead to 10, so four is really a six
4 because four plus six is 10. And there was another system in
5 which we simply didn't change ones and eights, we called that
6 alpha and we would switch all the other numbers so that when
7 you added them up they would add to 10.

8 Q You said one system is called alpha, what was the other
9 system?

10 A Tango.

11 Q Why did you have this code?

12 A Well, because if we were going to pass on a phone number
13 if somebody was listening to us they wouldn't know what phone
14 number we were really passing on.

15 Q Who did you use this code, this tango alpha code with?

16 A I used it with my brother Alexander Cifuentes, with
17 Damaso Lopez.

18 Q We'll move to a different topic.

19 You testified earlier that you were arrested in 2012
20 in Venezuela. Were you living under a false name in
21 Venezuela?

22 A Yes, sir.

23 Q You got arrested in Venezuela, did you try to show false
24 identification?

25 A They didn't give me enough time.

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1 Q What do you mean by that?

2 A They arrested me before I could show them ID because they
3 already knew who I was.

4 Q Did you use other false identification documents
5 throughout your career as a drug trafficker?

6 A Yes, sir.

7 Q Did you ever lie about your false identifications?

8 A Yes, sir.

9 Q And why?

10 A Well, to protect my ID -- identity and that's the normal
11 way that you conduct illegal business.

12 Q Did you ever use these false identifications to enter
13 other countries?

14 A Yes, sir.

15 Q Which ones that you can remember?

16 THE INTERPRETER: May the interpreter get
17 clarification, which countries or which ID?

18 Q Sorry, which countries?

19 A Canada, U.S., Mexico, Panama, Costa Rica, Colombia,
20 Venezuela, Ecuador, Bolivia, Argentina Chile, Uruguay,
21 Germany, Holland, Spain, Ukraine, England, Australia, China.

22 Q Maybe I should have asked you which countries you didn't
23 show false identification.

24 So did you have properties under other people's
25 names?

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1 A Yes, sir.

2 Q And why?

3 A Well, some of them I used for drug trafficking purposes I
4 didn't put in my name or name of companies. And also to
5 protect them from the authorities.

6 Q Now you got extradited to the United States, you
7 testified. When you were in custody here in the United
8 States, were you in contact with one of your brothers in
9 prison?

10 A Yes, sir.

11 Q And with whom?

12 A With Alexander.

13 Q Where was he at the time?

14 A He was in jail in Bogota in La Picota.

15 Q How were you able to have phone contact with him?

16 A I called him from the unit phone here in the building in
17 Brooklyn.

18 Q And how did he have a phone?

19 A He had an illegal cell phone in La Picota in the jail.

20 Q Were you authorized to make that call to Alex while you
21 were in prison?

22 A No, sir.

23 Q What, if anything, did you do to hide who you were
24 calling?

25 A Well, on the telephone records Corrlinks I took out the

CIFUENTES - DIRECT - FELS

1 name an attorney Carlos Real and I put my brother's name
2 Alexander.

3 Q How many calls did you make?

4 A Two calls.

5 Q For how long, what time?

6 A One call. The one that went through was 15 minutes long,
7 and the other one didn't go through, I couldn't find him,
8 three minutes more or less.

9 Q So during this 18 minutes that you were talking to your
10 brother Alex, what did you tell him?

11 A Well, I told him -- I suggested that what would benefit
12 him the most would be to cooperate with the U.S. government to
13 plead guilty because the evidence that the government had was
14 overwhelming and whatever evidence they didn't have I had
15 already given to them.

16 Q Why did you tell your brother to cooperate?

17 A Because I was worried because he didn't want to
18 cooperate.

19 Q Did you feed him information that he didn't otherwise
20 have?

21 MR. LICHTMAN: Objection.

22 THE COURT: Sustained.

23 Q I'll ask. What specific information did you provide to
24 your brother in this 18 minutes of phone calls?

25 A I simply told him to cooperate, that the government had a

CIFUENTES - DIRECT - FELS

1 lot of information and that I had provided them with the
2 missing information and that he would be facing a life
3 sentence if he didn't cooperate.

4 MR. LICHTMAN: Objection.

5 THE COURT: Overruled.

6 Q Did you feed him any specific instances of conduct?

7 MR. LICHTMAN: Objection.

8 THE COURT: Is it relevance?

9 MR. LICHTMAN: Yes.

10 THE COURT: Sustained.

11 MR. LICHTMAN: Thank you, Judge.

12 BY MR. FELS::

13 Q Do you remember when these calls were made?

14 A Yes, sir, I remember it was my brother's birthday,
15 January 18.

16 Q Which year, do you remember?

17 A I think it was 2015.

18 Q Now just to make sure that I have it clear, when you said
19 that you used -- did something in Corrlinks.

20 A The BOP has a system for the inmates. You have to place
21 the name of the person and the phone number you want to
22 contact. And since I had gotten previous authorization since
23 I had Carlos Real, the attorney's authorization --
24 authorization to call Carlos Real, the attorney, I went into
25 his record and I didn't change anything except I took out

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1 Carlos Real's phone number and I placed my brother's phone
2 number in its place.

3 Q Did you tell somebody that you had made these
4 unauthorized calls?

5 A Yes, sir.

6 Q And --

7 A I told my attorney and the prosecutor, but after I did
8 it.

9 Q And what was the reaction?

10 MR. LICHTMAN: Objection.

11 THE COURT: Sustained.

12 Q Have you done it since?

13 A No, sir.

14 Q Now aside from these 18 minutes of calls, have you had
15 any sort of indirect contact with your brother?

16 A Yes, sir.

17 Q And when was the last time you did that?

18 A Approximately two years ago.

19 Q And what's the nature of the indirect contact that you
20 had?

21 A So just sentimental, emotional subjects, brotherly
22 subjects about health, his eyes, how you're doing.

23 Q I want to talk about violence. Have you had people
24 killed?

25 A Yes, sir.

CIFUENTES - DIRECT - FELS

1 Q How many people have you had killed on your orders?

2 A Things that have actually gone through, three, three
3 people.

4 Q You weren't charged with any of these killings, were you?

5 A No, sir.

6 Q What about were there other people killed by some of your
7 workers that you hold yourself responsible for?

8 A Yes, sir, Juan De Dios Rodriguez in Mexico.

9 Q Did you order that killing?

10 A No, sir, but I could have avoided it.

11 Q What about did you order other people to be killed who
12 weren't in fact killed?

13 A Yes, sir.

14 Q How many that you remember?

15 A Two people I believe.

16 Q Now did you actually try to kill somebody yourself with
17 your own hands?

18 A Yes, sir.

19 Q Tell us about that.

20 A Well, I was in prison in Colombia in 1984, I was around
21 18 years old. Well -- and somebody recruited on behalf of
22 Gonzalo Rodriguez Gacha, El Mexicano, the Mexican, to kill
23 Fernando Lopera, who was an inmate on the unit because he had
24 supposedly killed some pilots and stolen some cocaine.

25 Q What did you agree to do while you were in prison?

CIFUENTES - DIRECT - FELS

1 A Kill him. They gave me a revolver, they gave me cyanide,
2 a poison, a blade, and a grenade.

3 Q And why did they give you all of these things?

4 A For me to choose which way I wanted to do it.

5 Q What did you choose at first?

6 A Well, the simplest one, poison. And they were warming up
7 breakfast and the person who was preparing it asked me to look
8 over these arepas were on the grill, and I already had the
9 loose cyanide here so I sprinkled it on one of the arepas and
10 when Fernando was having his breakfast he ate one of the
11 arepas but he didn't eat the arepa with the poison.

12 Q So what happened next?

13 A Well, I was getting pressure from them because I had to
14 follow through with what I had committed to do, so I decided
15 to throw a grenade into his cell.

16 Q And what happened?

17 A Well, the grenade blew up. The jails in Colombia are
18 made out of cement and there was a mattress on top and the
19 grenade fell on the floor and when it exploded the cement bed
20 protected him, he only got shrapnel in his legs and nothing
21 happened to him. Well, he got scared.

22 Q And were there any more attempts that you made on
23 Fernando Lopera?

24 A No, sir, I gave up.

25 THE COURT: Mr. Fels, unless you're done in two

CIFUENTES - DIRECT - FELS

1 minutes this might be a good time.

2 MR. FELS: I can -- we will resume we only have a
3 little more left.

4 THE COURT: Just a little bit tomorrow morning,
5 right.

6 MR. FELS: Tomorrow morning.

7 THE COURT: Ladies and gentlemen we'll send you
8 home. Please don't talk to anybody about this case. Please
9 don't do any research. Stay away from any media coverage on
10 the case. Don't communicate on social media particularly.
11 See you tomorrow morning at 9:30.

12 (Jury exits courtroom.)

13 THE COURT: Let me see counsel at sidebar including
14 Ms. Colon, please. Everyone else is dismissed or stay,
15 whatever you want.

16 If you're standing for us you don't have to, you can
17 leave the Court. We're in recess except for the sidebar that
18 we're having.

19 (Sidebar conference.)

20 (Continued on the next page.)

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SEALED SIDEBAR CONFERENCE

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(End of sidebar conference.)

(Whereupon, the trial adjourned at 4:33 p.m. to
resume Thursday, December 13, 2018 at 9:30 a.m.)

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1 I, RIVKA TEICH, hereby certify that:

2 (A) The foregoing pages represent an accurate and complete
3 transcription of the entire record of the proceedings before
4 the UNITED STATES DISTRICT COURT for the EASTERN DISTRICT OF
5 NEW YORK, JUDGE BRIAN M. COGAN PRESIDING, in the matter of
6 UNITED STATES OF AMERICA V. JOAQUIN GUZMAN LOERA, 09-CR-466,
7 held on December 12, 2018;

8 And (B) these pages constitute the original transcript of the
9 proceeding.

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12

Rivka Teich, CSR, RPR, RMR, FCRR
Official Court Reporter
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Official Court Reporter